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SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

TABLES AND CHARTS

OCTOBER 1984

The October 1984 survey is the 193rd in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

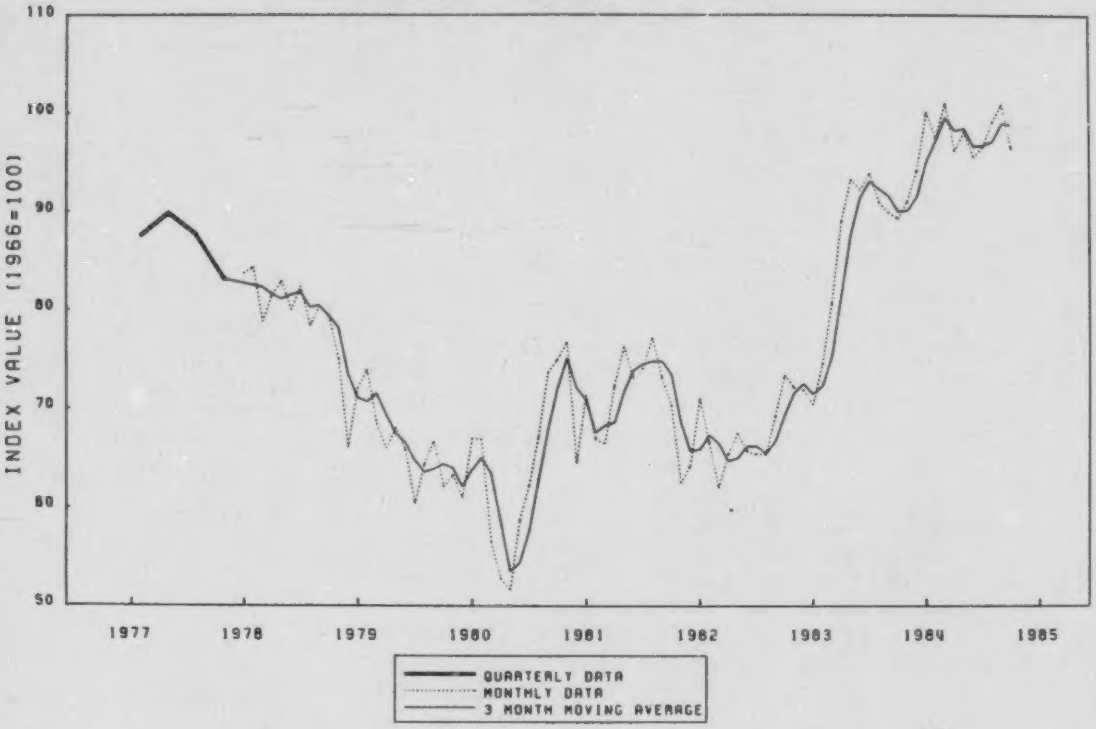


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

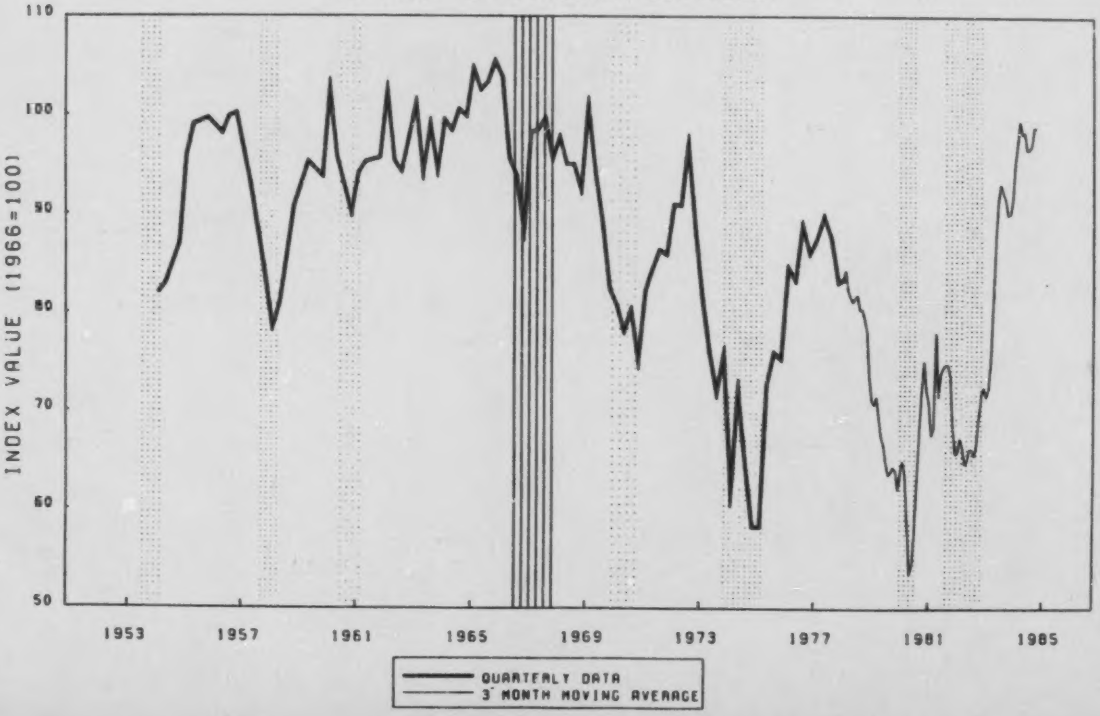


TABLE 1

THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY	All families	Families with incomes over $20,000	Families with incomes over $25,000
October 1981	70.3	74.5	77.9
November 1981	62.5	67.2	66.3
December 1981	64.3	71.0	71.1
January 1982	71.0	77.9	77.8
February 1982	66.5	71.5	72.8
March 1982	62.0	67.0	67.9
April 1982	65.5	71.5	73.2
May 1982	67.5	72.7	74.8
June 1982	65.7	71.4	72.9
July 1982	65.4	68.9	69.2
August 1982	65.4	71.0	73.6
September 1982	69.3	78.4	81.1
October 1982	73.4	77.5	80.9
November 1982	72.1	79.3	81.1
December 1982	71.9	78.0	80.5
January 1983	70.4	78.2	78.8
February 1983	74.6	79.9	81.3
March 1983	80.8	88.4	88.9
April 1983	89.1	97.1	99.0
May 1983	93.3	99.6	101.0
June 1983	92.2	101.2	102.5
July 1983	93.9	104.4	106.5
August 1983	90.9	101.2	103.5
September 1983	89.9	99.0	102.3
October 1983	89.3	99.5	101.9
November 1983	91.1	97.2	98.8
December 1983	94.2	101.7	104.5
January 1984	100.1	112.0	114.2
February 1984	97.4	109.6	111.2
March 1984	101.0	110.9	114.2
April 1984	96.1	103.9	105.5
May 1984	98.1	105.6	107.1
June 1984	95.5	104.4	104.5
July 1984	96.6	103.2	102.8
August 1984	99.1	106.7	109.2
September 1984	100.9	109.7	111.7
October 1984	96.3	106.2	107.7

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

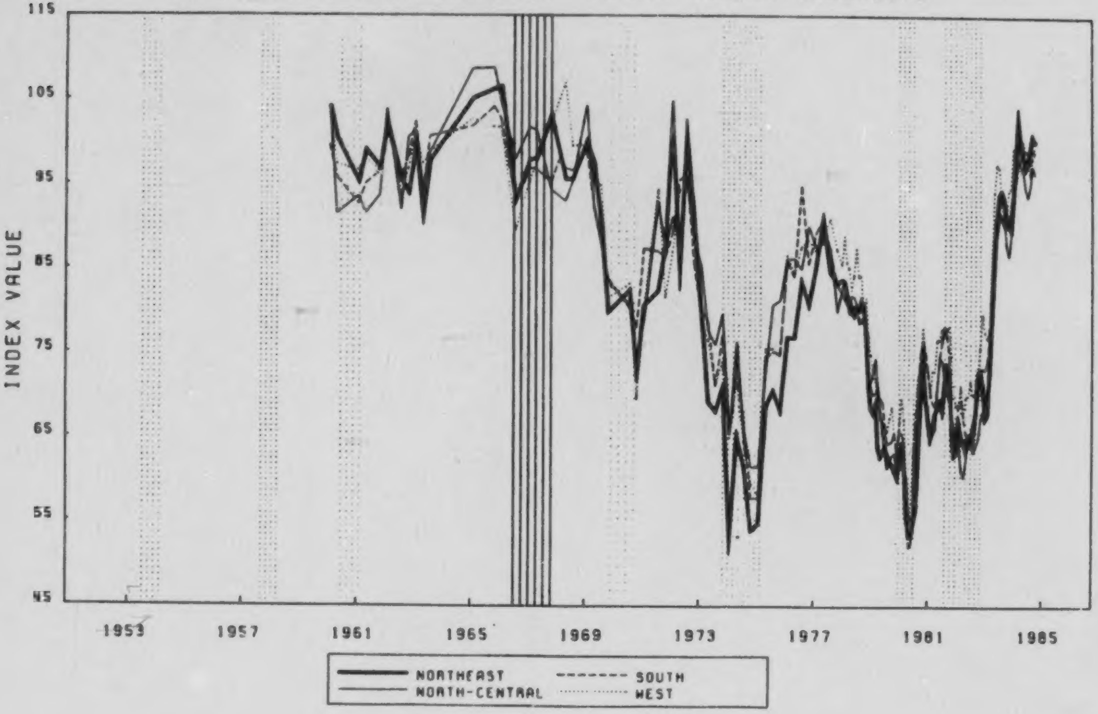


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

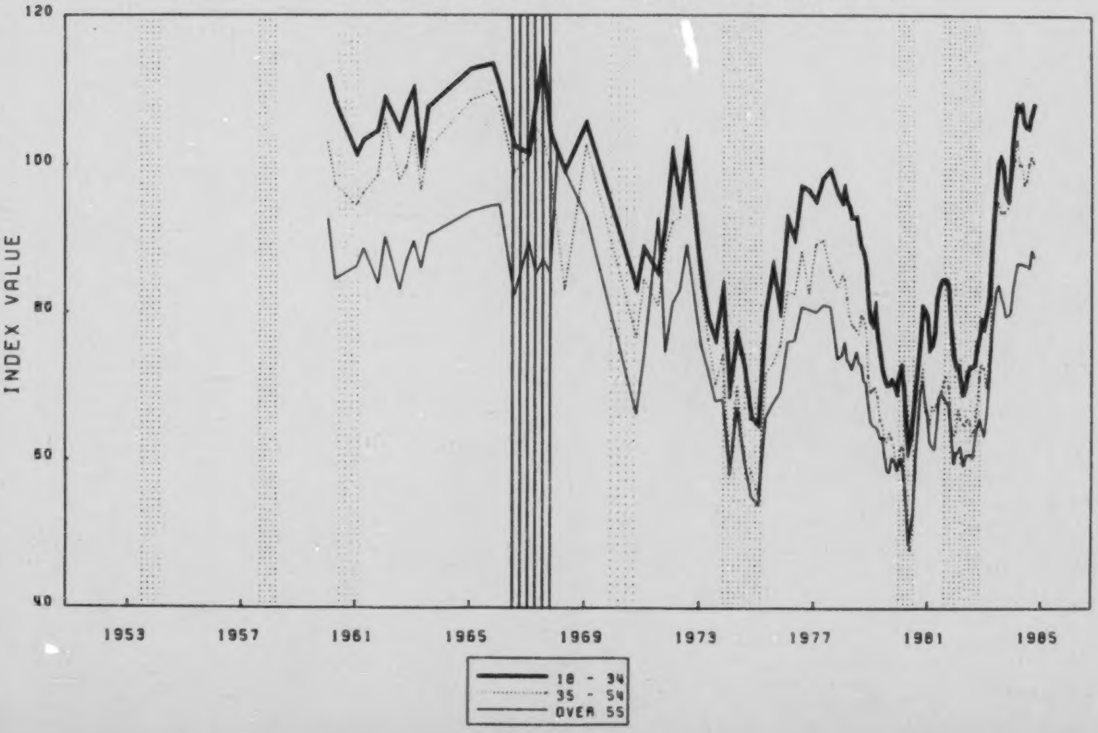


TABLE 2

INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

DATE OF SURVEY	CENSUS REGION North East	North Central	South	West	AGE OF RESPONDENT 18-34	35-54	55+
October 1981	67.9	68.2	68.9	79.0	80.7	65.9	64.8
November 1981	55.8	64.7	61.1	68.8	71.3	59.6	57.7
December 1981	65.0	65.3	64.4	61.6	70.9	65.3	56.7
January 1982	68.8	67.3	72.0	76.2	76.6	67.4	68.5
February 1982	65.9	60.6	71.8	68.8	71.5	68.3	59.0
March 1982	60.5	55.8	64.7	68.2	65.5	61.4	58.8
April 1982	67.2	64.6	65.0	65.8	70.6	65.5	60.4
May 1982	62.4	66.5	66.6	75.7	72.7	67.6	62.0
June 1982	65.4	65.0	64.9	68.6	72.4	64.4	60.3
July 1982	65.1	64.0	63.5	71.1	73.4	63.3	60.6
August 1982	68.1	60.6	64.0	70.6	72.6	62.9	60.2
September 1982	70.3	67.2	71.1	68.8	73.0	66.7	68.0
October 1982	77.8	66.2	74.1	79.3	81.2	72.1	65.5
November 1982	70.6	67.9	73.2	79.3	76.6	75.7	63.8
December 1982	66.1	70.0	72.5	80.4	78.9	71.7	64.2
January 1983	64.9	70.5	73.6	72.8	78.8	70.0	62.0
February 1983	72.1	72.3	75.8	77.2	82.1	68.3	72.4
March 1983	82.9	73.7	82.7	84.4	84.9	81.5	75.5
April 1983	89.1	88.0	87.2	95.6	95.8	90.5	80.5
May 1983	88.3	90.7	93.3	102.7	97.2	97.1	84.9
June 1983	95.1	88.7	92.5	94.1	97.8	94.4	83.9
July 1983	98.3	93.8	89.9	94.3	106.0	93.6	83.0
August 1983	89.6	92.0	91.3	89.6	99.2	92.9	80.0
September 1983	92.6	87.8	89.3	90.8	94.8	94.5	80.9
October 1983	89.9	83.7	91.5	93.5	94.2	93.8	77.8
November 1983	87.7	88.3	91.5	98.5	97.2	94.6	80.7
December 1983	91.4	96.2	95.2	92.2	102.3	97.5	81.8
January 1984	100.7	96.8	97.5	107.5	107.9	106.0	87.4
February 1984	102.3	98.4	93.5	97.1	106.2	98.9	86.5
March 1984	104.8	98.5	102.1	97.5	109.9	105.2	86.6
April 1984	92.5	95.3	98.2	99.3	106.5	95.9	87.0
May 1984	98.8	96.3	96.5	103.9	107.5	98.8	86.6
June 1984	100.1	92.1	95.0	93.7	103.0	97.1	85.9
July 1984	94.3	92.5	100.5	99.3	104.9	98.2	87.1
August 1984	103.1	100.2	97.5	95.4	106.8	105.3	85.2
September 1984	105.0	99.3	99.7	99.9	108.5	99.9	93.3
October 1984	92.5	89.4	100.9	101.7	108.9	95.5	84.2

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

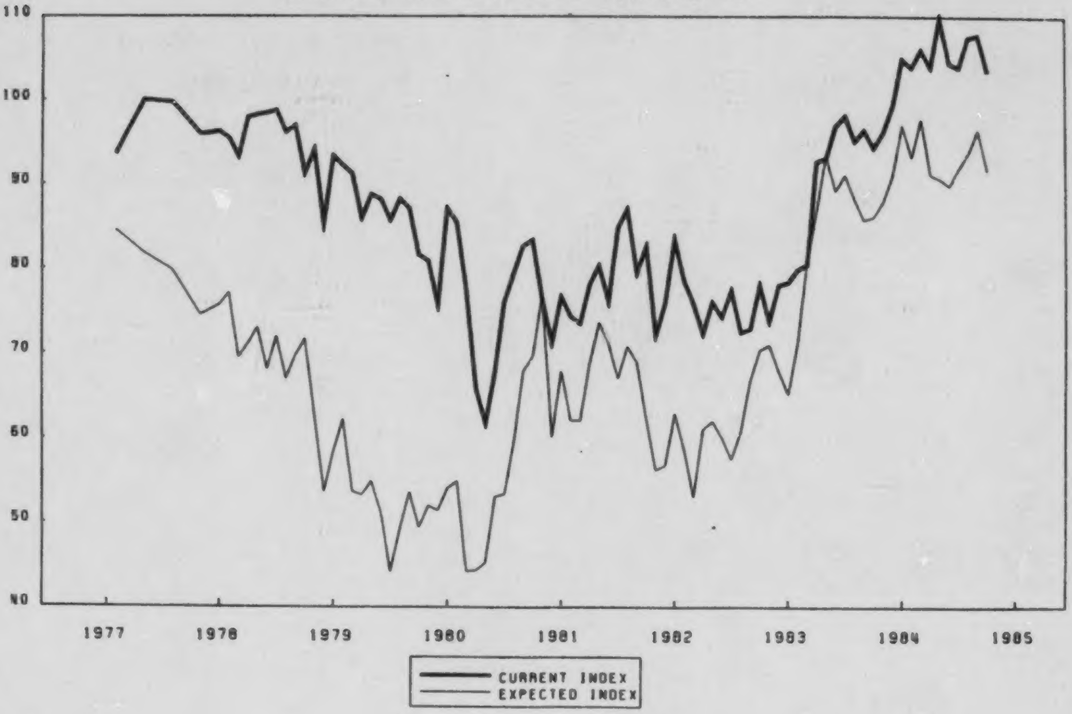


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS

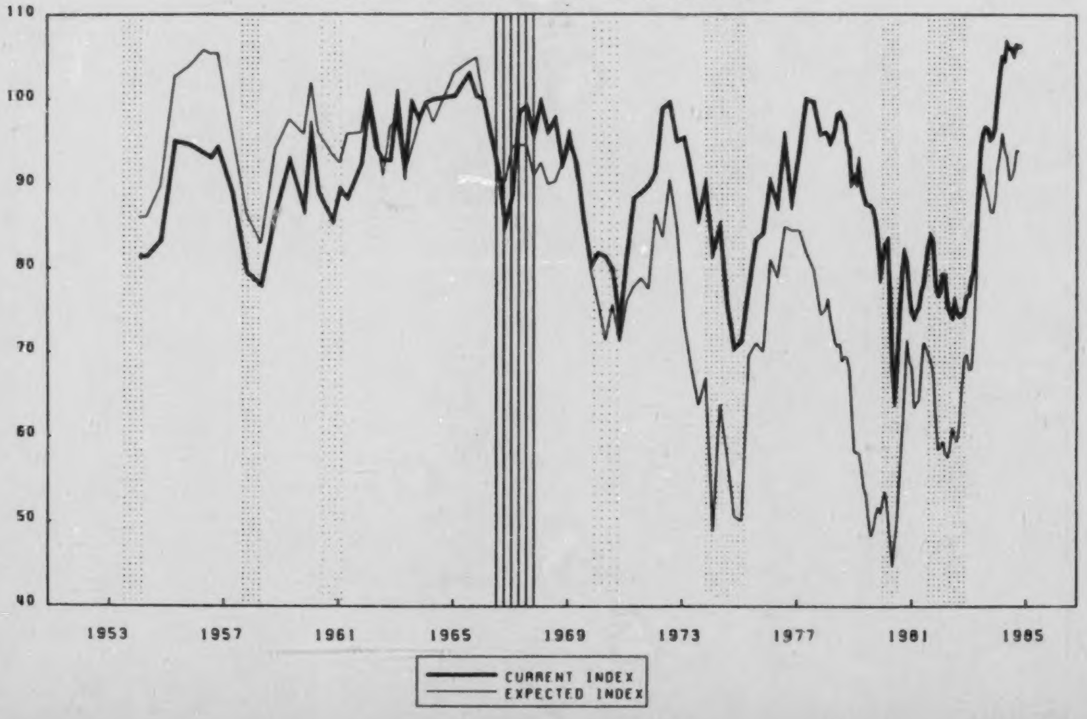


TABLE 3

COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

	INDEX COMPONENTS +						
	Personal finances		Business conditions		Buying conds.	Current Index	Expected Index
	Current	Expected	12 months	5 years			
DATE OF SURVEY	(1)	(2)	(3)	(4)	(5)	(1,5)	(2,3,4)
October 1981	95	110	68	67	117	82.7	62.3
November 1981	85	110	54	56	99	72.1	56.3
December 1981	94	110	54	61	101	75.9	56.8
January 1982	92	115	66	70	124	83.5	62.9
February 1982	91	112	56	65	111	78.6	58.7
March 1982	89	106	44	60	106	75.9	53.1
April 1982	87	111	62	70	99	72.3	61.1
May 1982	94	113	62	72	102	76.1	62.0
June 1982	92	116	58	65	99	74.3	60.1
July 1982	90	113	53	63	110	77.5	57.6
August 1982	89	110	64	69	97	72.5	60.9
September 1982	89	116	76	74	98	72.9	66.9
October 1982	95	119	79	83	106	78.1	70.4
November 1982	85	121	77	86	105	73.8	71.0
December 1982	90	117	74	80	111	78.1	67.9
January 1983	91	115	76	69	111	78.4	65.2
February 1983	89	117	87	81	117	79.9	71.2
March 1983	92	126	113	85	115	80.5	80.9
April 1983	108	131	120	99	131	92.7	86.9
May 1983	101	137	139	100	139	93.1	93.4
June 1983	110	128	134	97	141	96.9	89.2
July 1983	111	126	136	104	143	98.1	91.1
August 1983	106	124	130	100	140	95.1	88.2
September 1983	109	125	125	95	140	96.4	85.8
October 1983	104	124	124	98	140	94.3	86.1
November 1983	111	127	129	98	138	96.1	87.9
December 1983	123	125	140	102	134	99.3	91.0
January 1984	117	129	154	108	155	104.9	97.0
February 1984	119	130	139	106	151	103.9	93.2
March 1984	122	135	146	113	153	106.0	97.7
April 1984	117	124	136	106	153	103.9	91.1
May 1984	121	129	131	105	164	109.8	90.6
June 1984	126	124	131	106	145	104.4	89.8
July 1984	117	124	133	113	152	103.9	91.9
August 1984	125	129	137	111	153	107.5	93.7
September 1984	125	131	142	116	154	107.8	96.4
October 1984	118	127	134	107	150	103.6	91.6

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

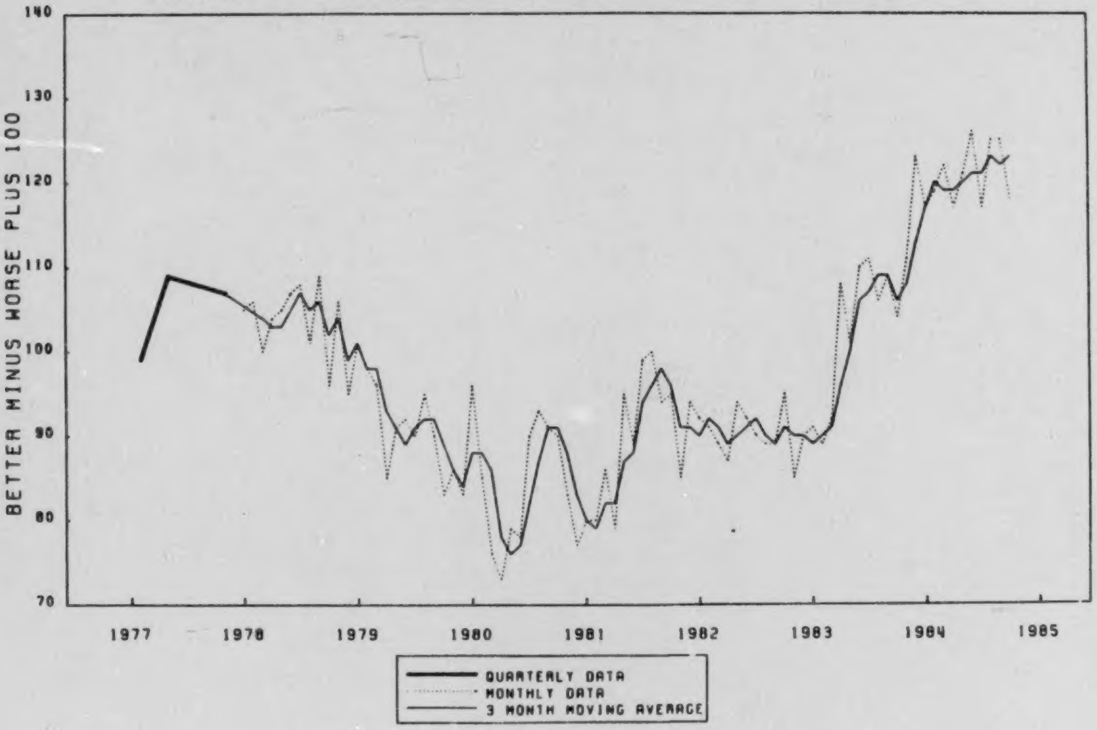


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

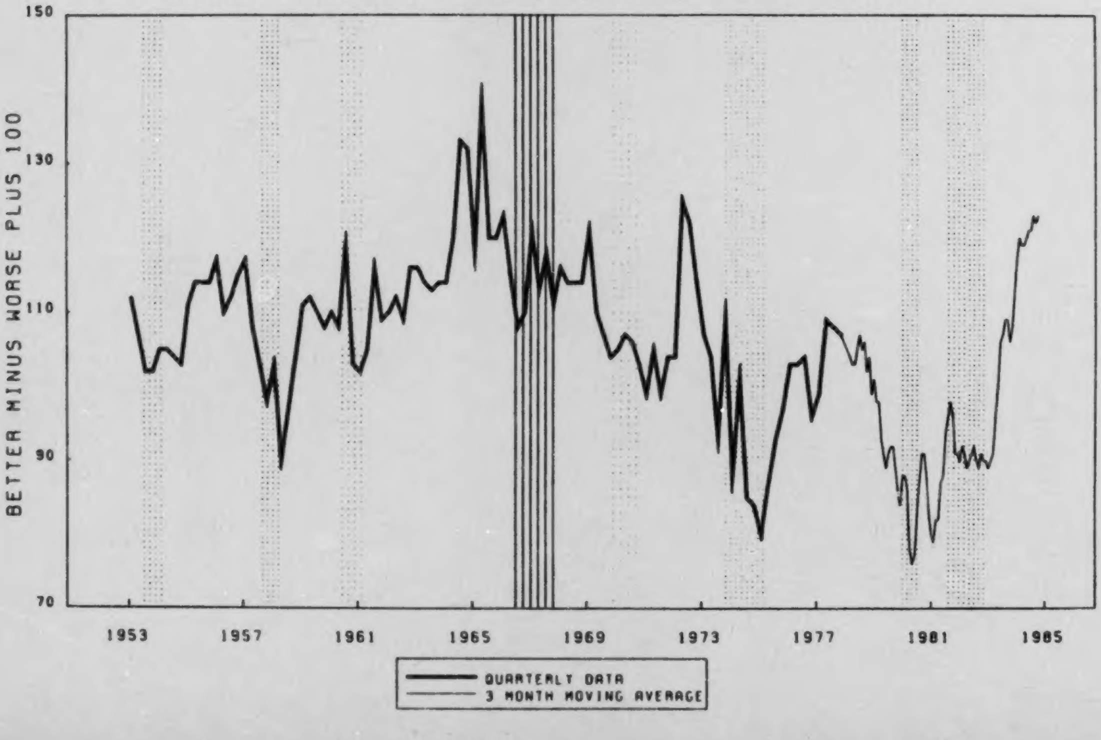


TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
BETTER OFF	36%	38%	45%	42%	44%	48%	43%	44%	47%	42%	48%	45%	44%
SAME	32	35	33	32	31	26	30	33	31	33	29	35	30
WORSE OFF	32	27	22	25	25	26	26	23	21	25	23	20	26
DK,NA	*	*	*	1	*	*	1	*	1	*	*	*	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

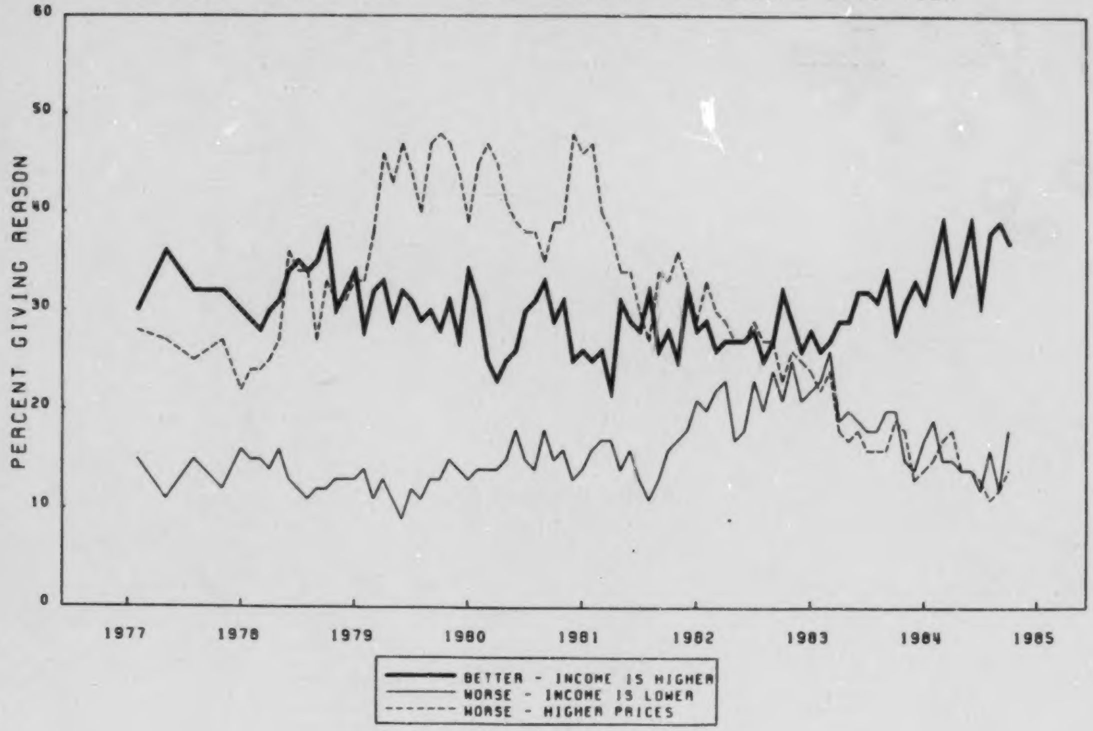


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

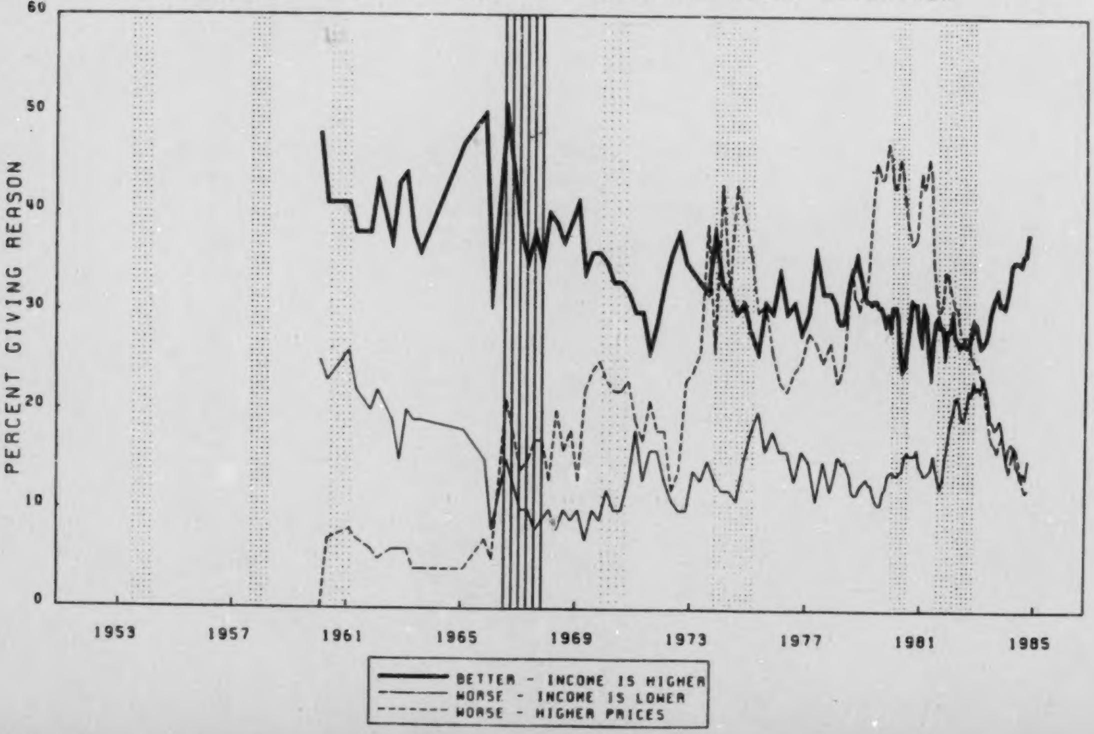


TABLE 5

SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
BETTER OFF THAN YEAR AGO:													
Income is higher	28%	31%	33%	31%	35%	39%	32%	35%	39%	31%	38%	39%	37%
WORSE OFF THAN YEAR AGO:													
Income is lower	20	15	14	17	19	15	15	14	14	12	16	12	18
Higher prices	19	18	13	14	15	17	18	14	14	13	11	12	14

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

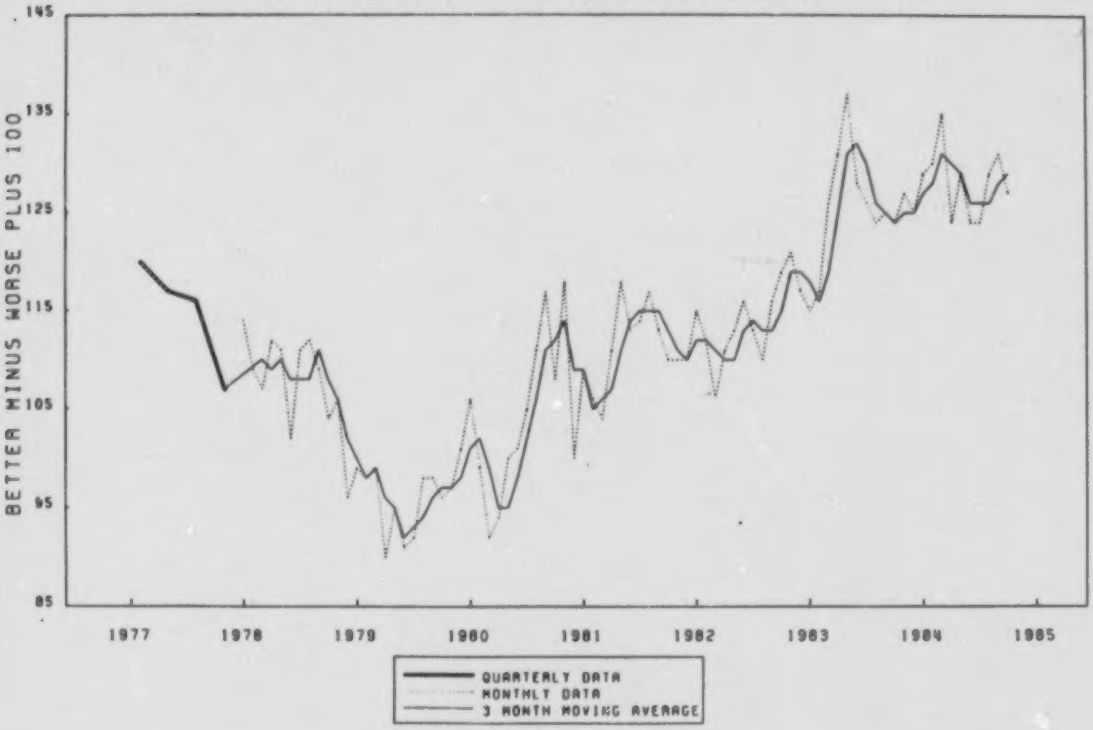


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION

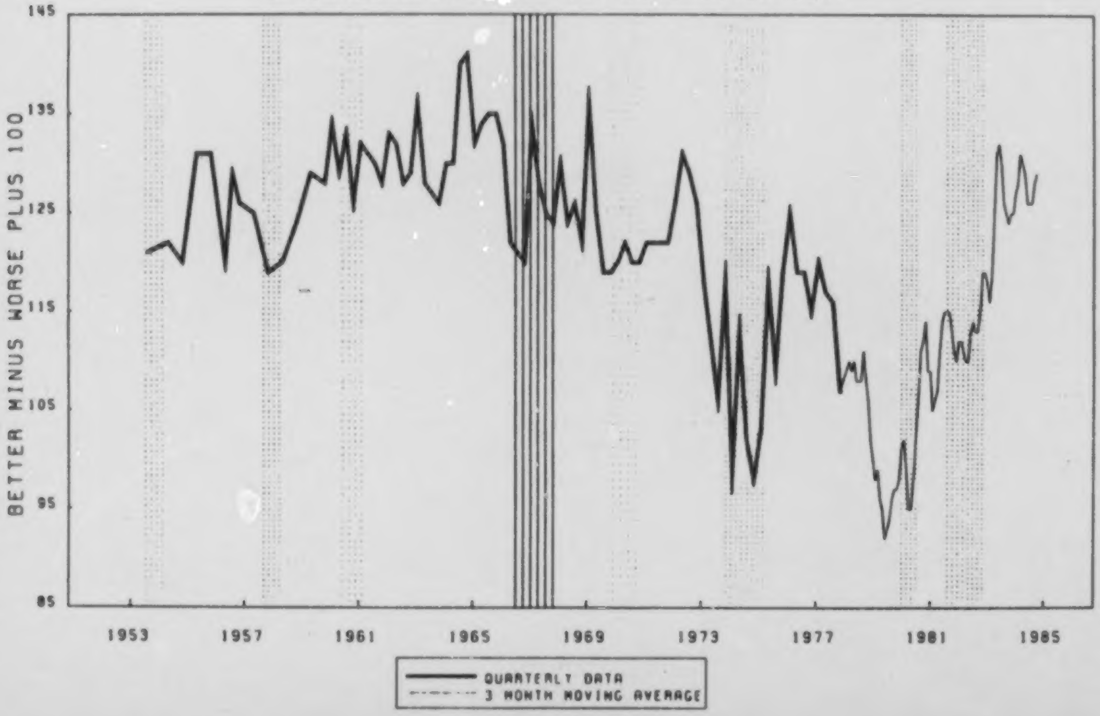


TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
BETTER OFF	37%	38%	35%	38%	41%	44%	37%	40%	35%	34%	38%	39%	38%
SAME	46	47	51	50	44	44	48	47	52	51	49	49	47
WORSE OFF	13	11	10	9	11	9	13	11	11	10	9	8	11
DK,NA	4	4	4	3	4	3	2	2	2	5	4	4	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

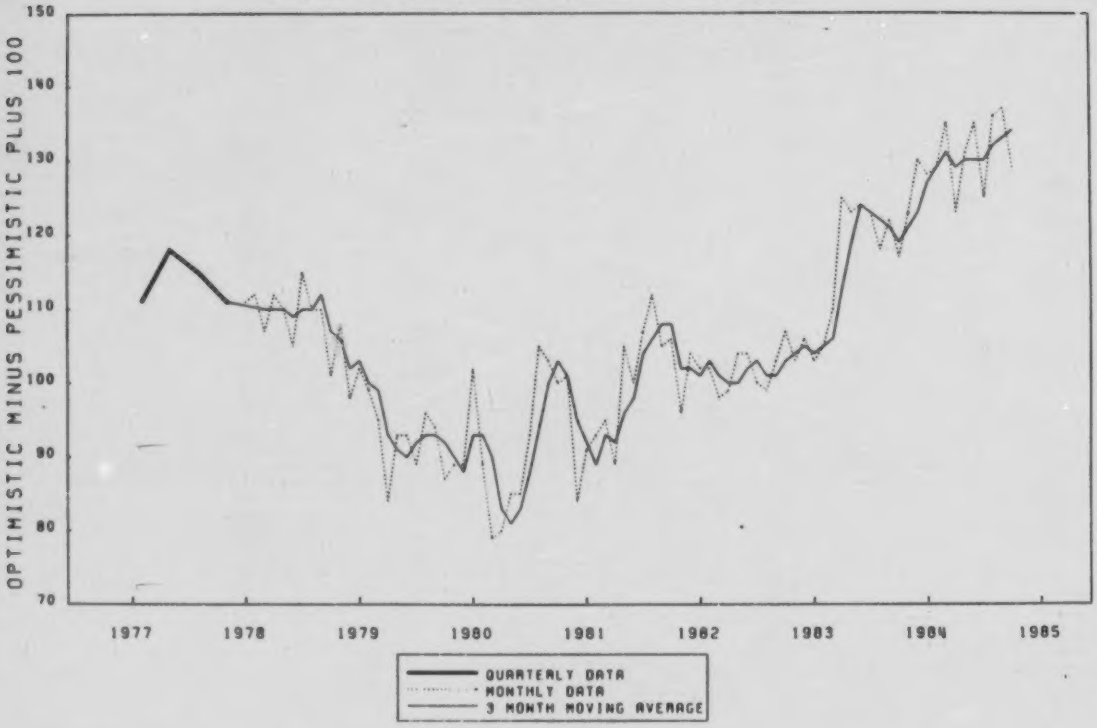


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION

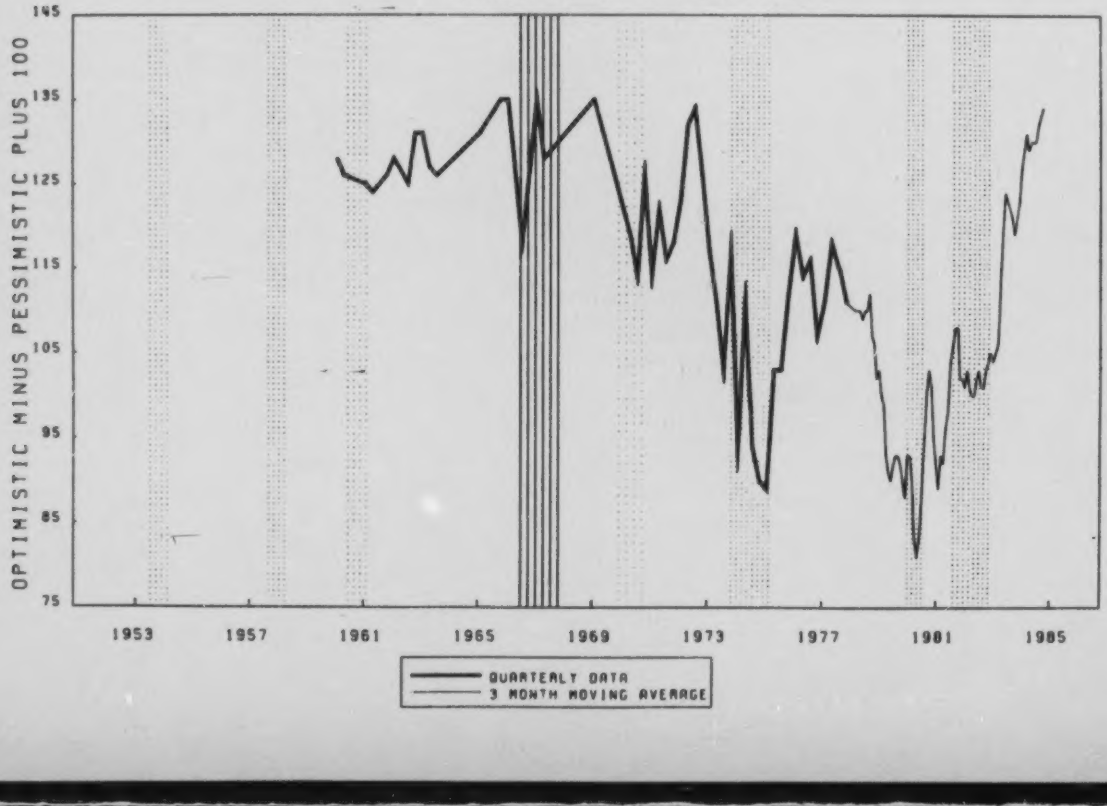


TABLE 7

TREND IN PERSONAL FINANCIAL SITUATION

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
PERSONAL FINANCIAL PROGRESS:													
Continuous increase (a)	19%	20%	22%	22%	24%	27%	23%	23%	20%	22%	24%	25%	21%
Intermittent increase (b)	23	23	26	26	25	27	22	24	32	24	30	28	28
Remain unchanged (c)	18	21	22	18	17	14	19	21	19	21	17	20	17
Intermittent decline (d)	18	15	13	16	16	14	16	12	12	16	13	12	15
Continuous decline (e)	7	5	5	4	4	5	6	4	5	5	5	4	5
Mixed change (f)	11	11	8	10	10	10	11	14	10	7	8	7	10
DK,NA	4	5	4	4	4	3	3	2	2	5	3	4	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES

MEDIAN EXPECTED CHANGE IN FAMILY INCOME

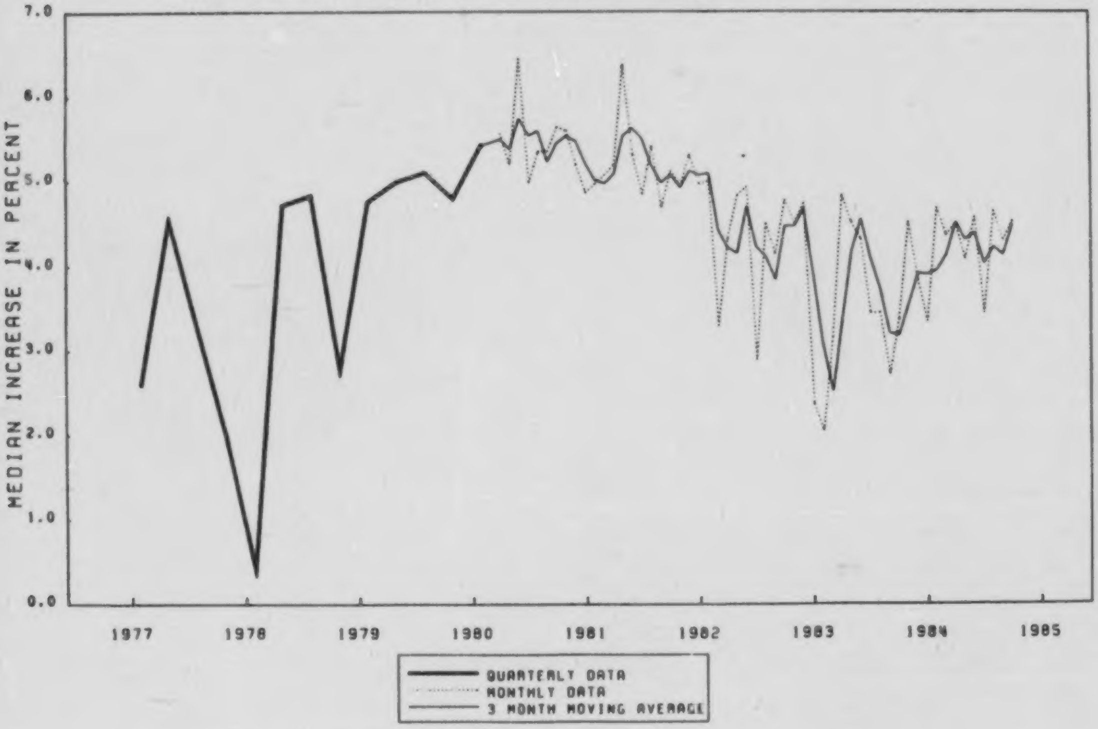


TABLE 8

EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
EXPECT INCREASE:													
1-4%	11%	12%	12%	15%	13%	14%	11%	11%	12%	17%	13%	15%	10%
5%	10	9	10	11	13	9	11	9	11	12	11	10	10
6-9%	10	8	10	8	10	8	8	7	12	8	11	10	8
10-24%	15	19	16	16	19	18	18	21	17	17	18	18	20
25% or more	7	8	7	7	6	11	8	8	7	6	7	7	8
DK how much up	5	7	5	4	4	6	5	6	3	4	3	4	5
EXPECT SAME	26	23	26	27	22	26	22	26	24	23	24	23	25
EXPECT DOWN	13	11	12	10	11	7	15	11	11	11	11	11	12
DK,NA	3	3	2	2	2	1	2	1	3	2	2	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES
INCOME OR PRICES UP MORE DURING THE LAST YEAR

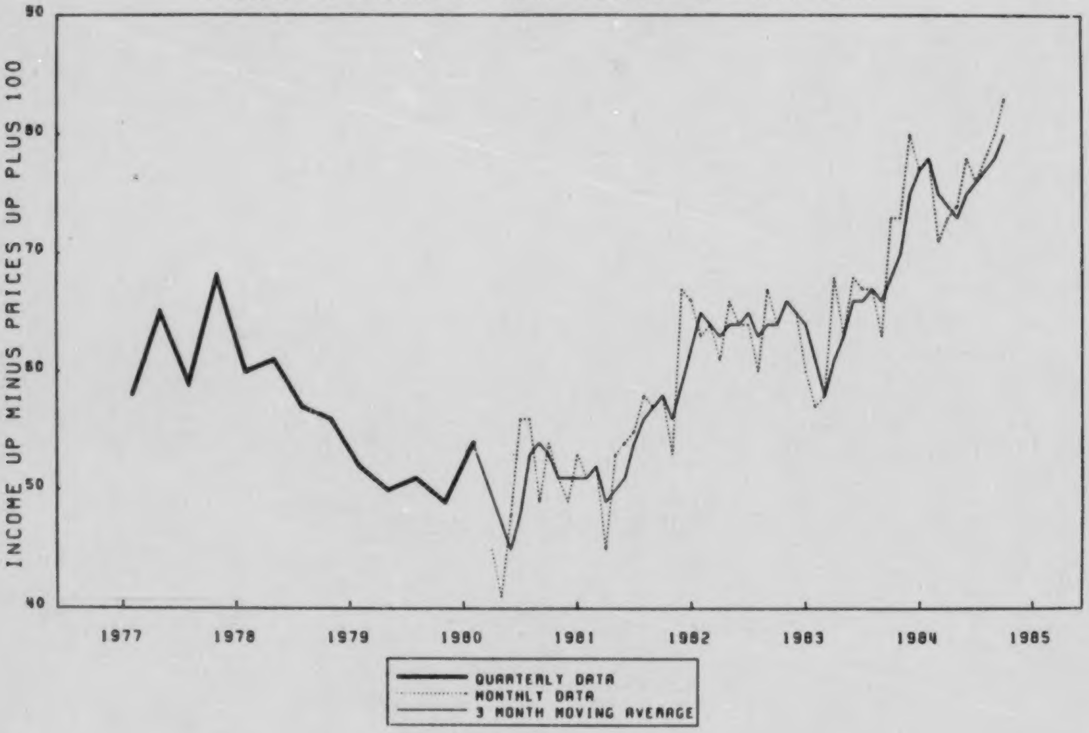


TABLE 9

PAST CHANGE IN REAL FAMILY INCOME

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
INCOME UP MORE	20%	22%	23%	23%	22%	20%	20%	20%	21%	21%	21%	22%	25%
INCOME UP SAME	32	28	32	29	32	30	32	33	34	33	34	36	31
PRICES UP MORE	47	49	43	46	44	49	47	46	43	45	43	42	42
DK, NA	1	1	2	2	2	1	1	1	2	1	2	*	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

* : Less than half of one percent.

CHART 10 - RECENT CHANGES
INCOME OR PRICES UP MORE NEXT YEAR

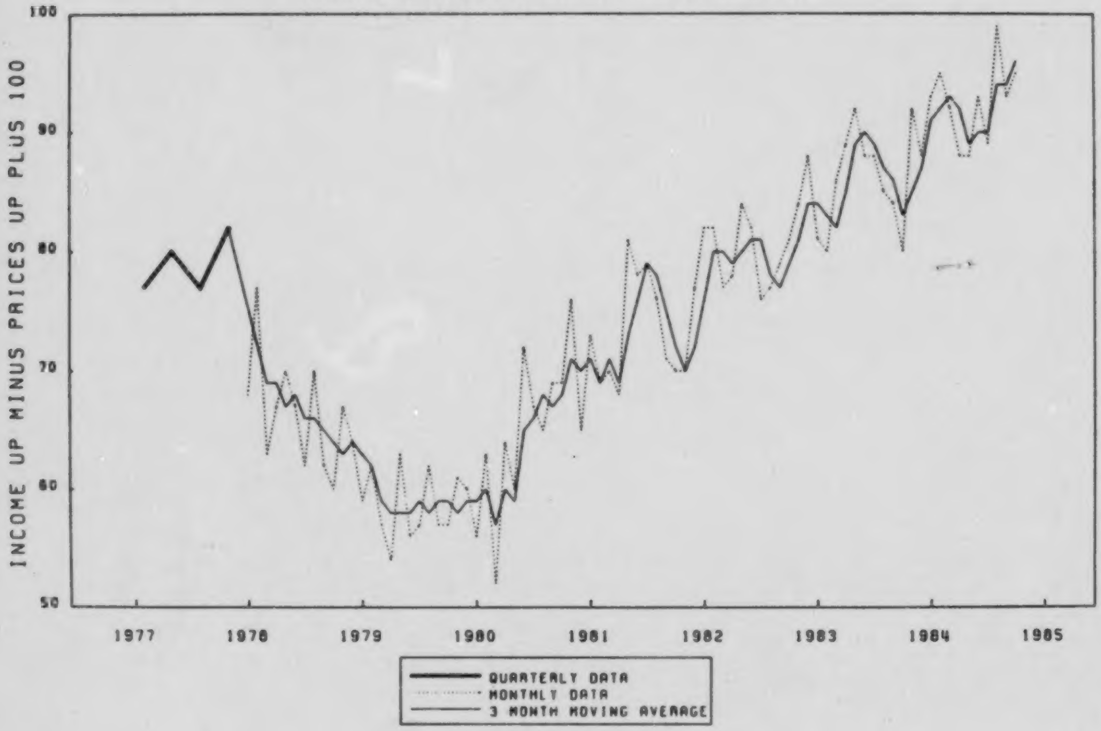


TABLE 10

EXPECTED CHANGE IN REAL FAMILY INCOME

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
INCOME UP MORE	18%	23%	20%	23%	24%	23%	21%	22%	22%	22%	25%	23%	25%
INCOME UP SAME	41	42	45	45	45	44	43	42	47	41	45	44	43
PRICES UP MORE	38	31	32	30	29	31	33	34	29	33	26	30	30
DK,NA	3	4	3	2	2	2	3	2	2	4	4	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON

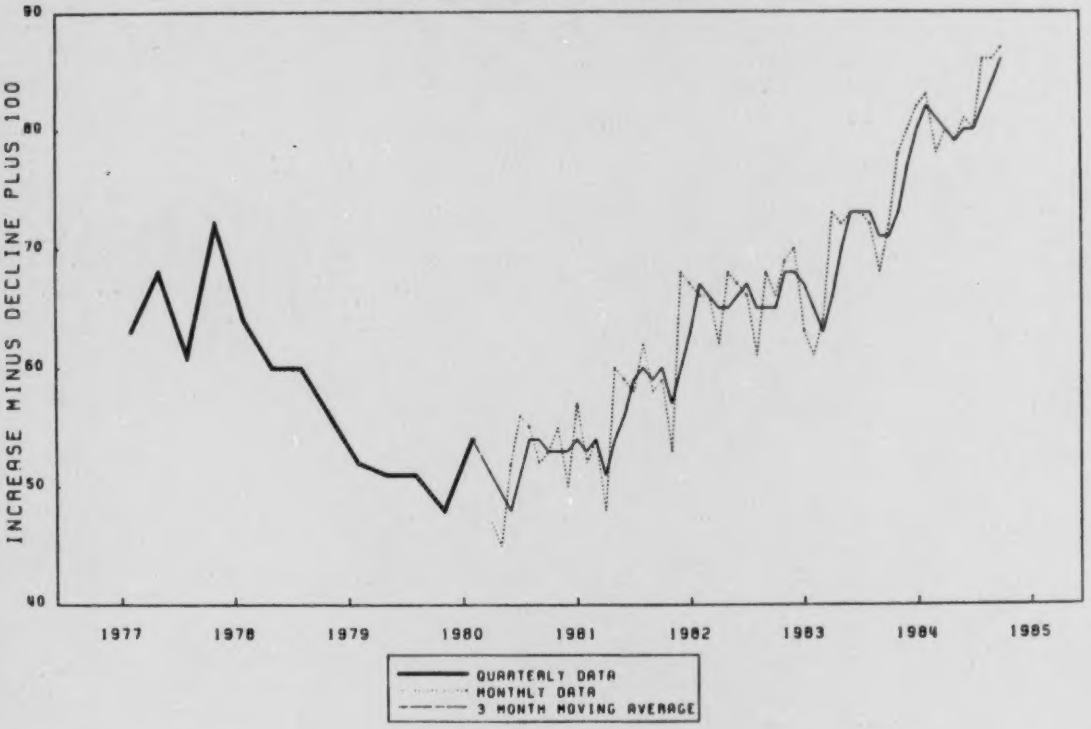


TABLE 11

TREND IN FAMILY INCOME AND PRICES COMPARISONS

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
REAL INCOME PROGRESS:													
Continuous increase (a)	11%	13%	12%	12%	13%	12%	10%	9%	11%	10%	12%	12%	14%
Intermittent increase (b)	10	12	14	14	13	12	14	17	13	14	15	16	14
Remain unchanged (c)	20	17	19	19	20	20	21	17	22	20	21	22	20
Intermittent decline (d)	21	23	23	21	22	20	18	22	23	20	22	20	18
Continuous decline (e)	28	24	23	23	21	26	26	25	20	24	19	22	23
Mixed change (f)	7	7	6	8	6	8	7	7	8	8	6	5	7
DK, NA	3	4	3	3	5	2	4	3	3	4	5	3	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART 12 - RECENT CHANGES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

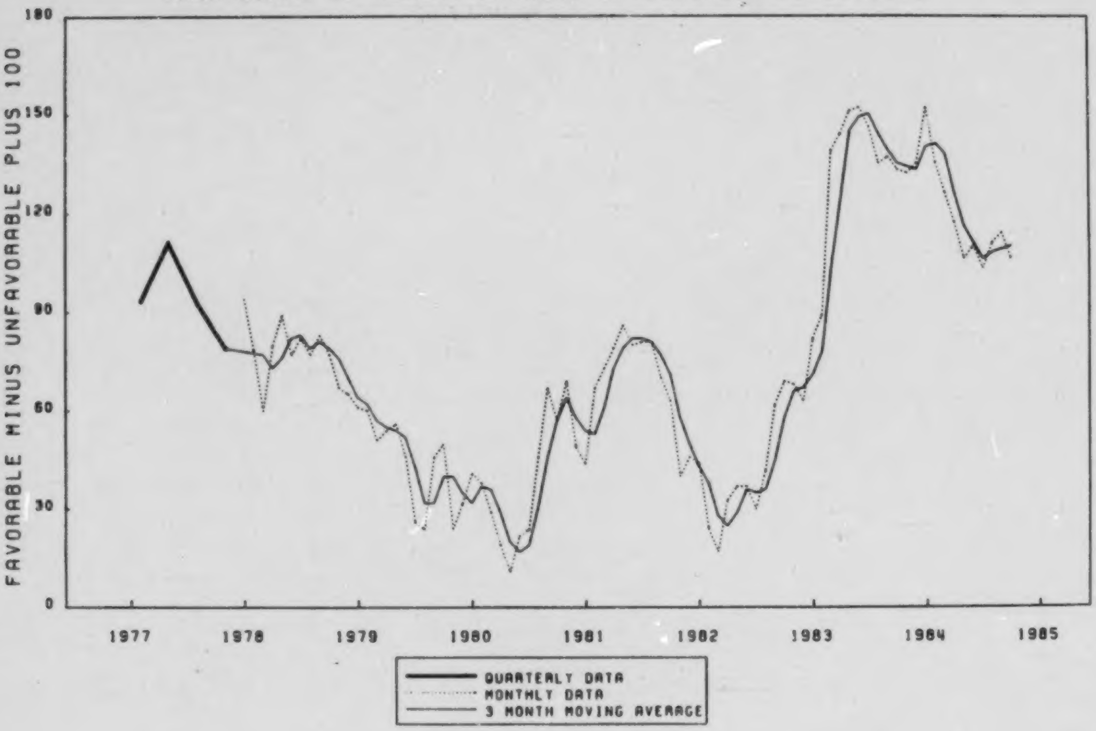


CHART 12 - HISTORICAL SERIES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

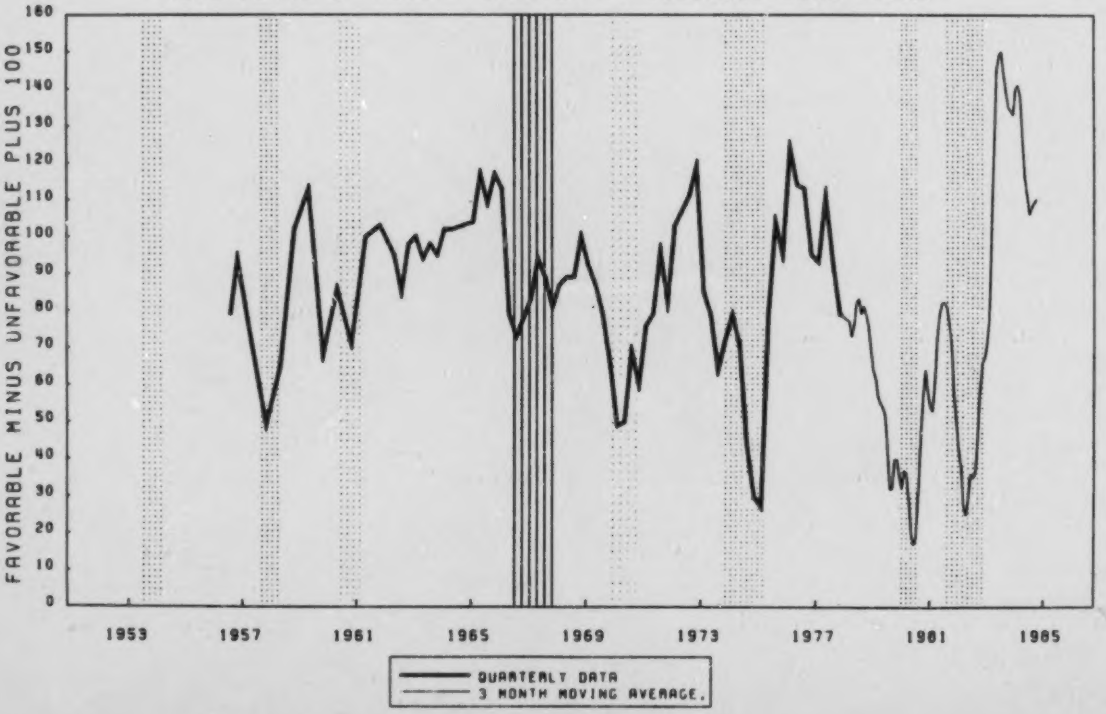


TABLE 12

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
FAVORABLE NEWS	63%	62%	60%	78%	66%	58%	49%	47%	50%	42%	51%	52%	44%
UNFAVORABLE NEWS	30	30	25	26	31	32	32	41	40	39	40	38	38
NO MENTIONS	41	39	42	33	38	43	46	41	41	46	39	41	44

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

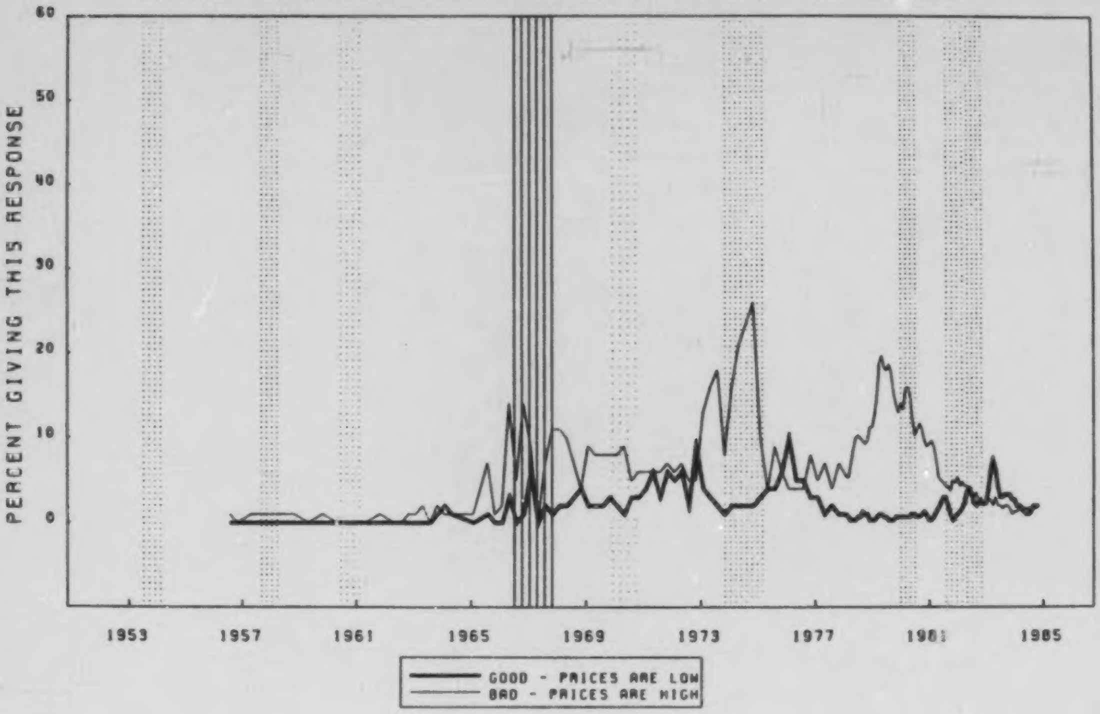


CHART 13B - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

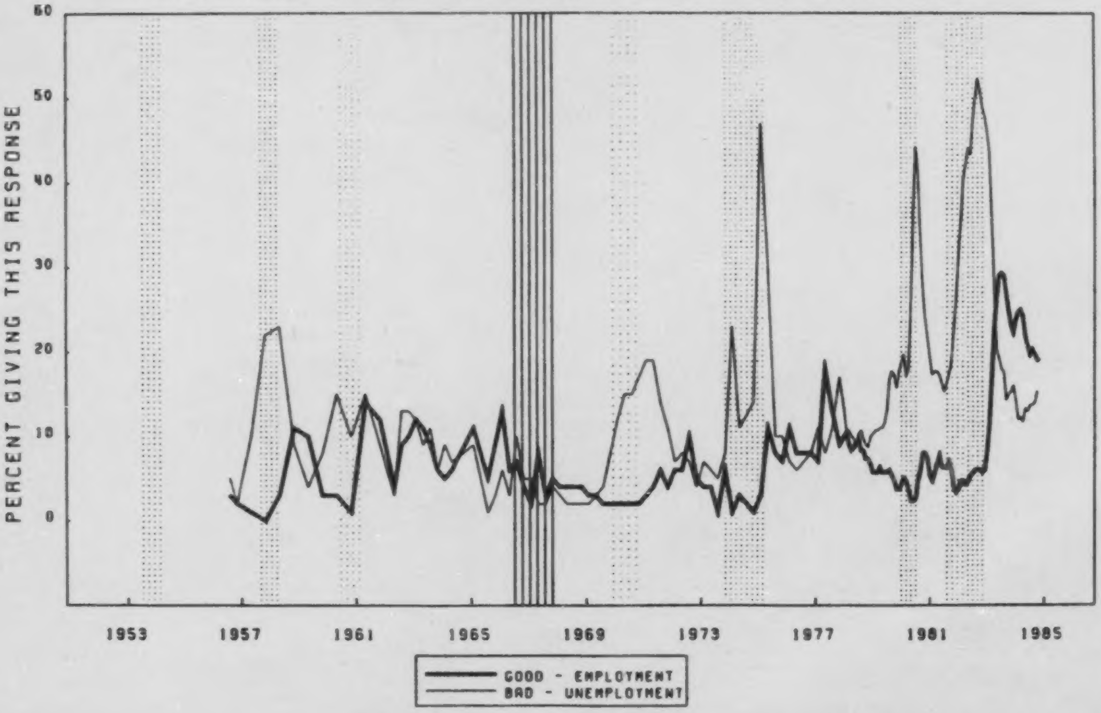


TABLE 13

SELECTED ITEMS OF NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
FAVORABLE NEWS:													
Government; elections	2%	2%	1%	3%	2%	1%	1%	1%	2%	2%	2%	3%	1%
Employment	23	22	22	27	25	25	23	18	21	20	20	19	18
Consumer demand high	11	13	12	18	15	10	8	10	8	4	7	7	5
Prices are low	3	3	2	3	1	2	1	1	1	1	2	3	1
Credit is easy	7	5	4	5	4	5	4	2	3	2	4	3	4
UNFAVORABLE NEWS:													
Government; elections	1	2	3	2	5	4	2	3	2	4	4	4	3
Unemployment	18	17	13	13	10	14	11	15	13	13	15	14	17
Consumer demand low	1	2	*	2	1	1	*	2	1	2	2	2	1
Prices are high	1	1	1	2	1	2	1	2	2	1	2	2	1
Credit is tight	2	1	2	1	2	3	9	10	12	13	9	6	5
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

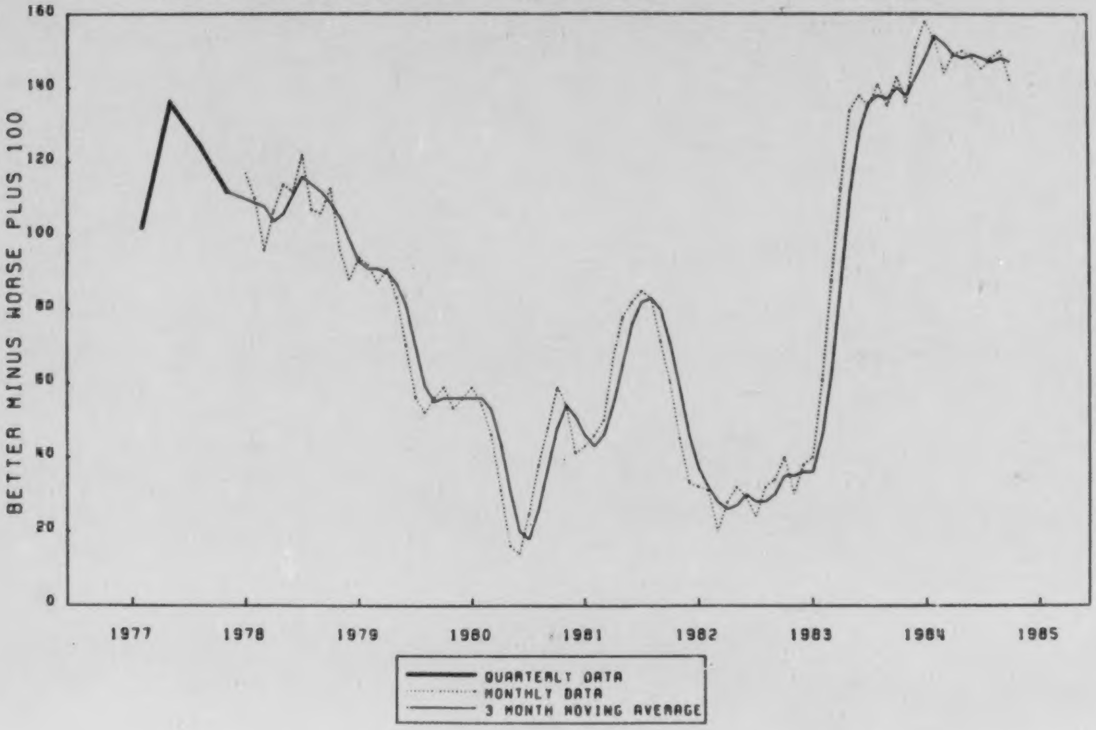


CHART 14 - HISTORICAL SERIES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

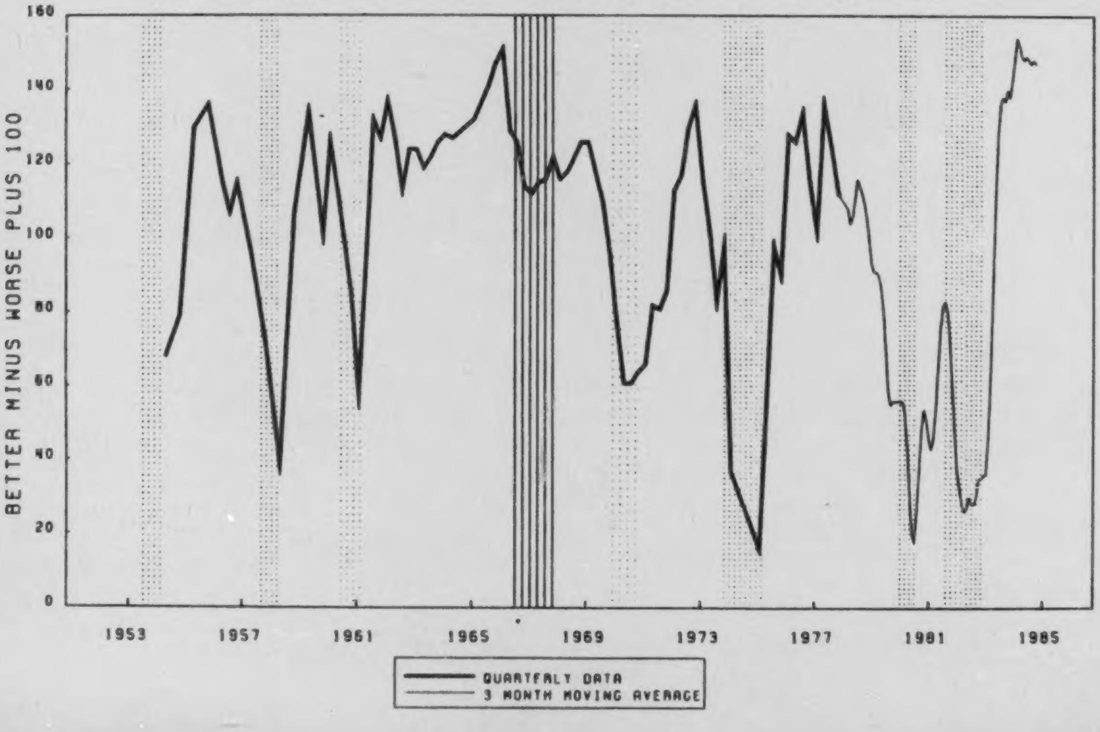


TABLE 14

CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
BETTER NOW	66%	63%	71%	75%	72%	67%	68%	70%	67%	67%	68%	68%	65%
SAME	9	8	8	6	8	9	11	9	12	9	11	12	10
WORSE NOW	23	27	20	17	19	23	19	20	19	22	20	18	23
DK,NA	2	2	1	2	1	1	2	1	2	2	1	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

CHART 15 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

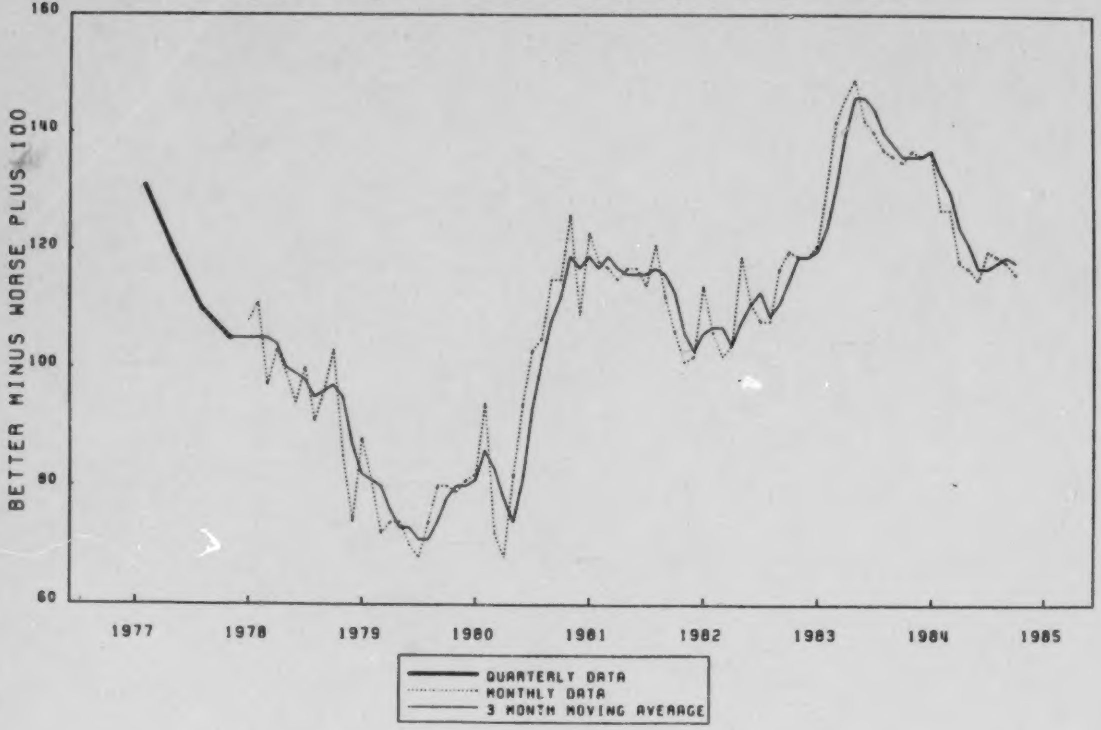


CHART 15 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

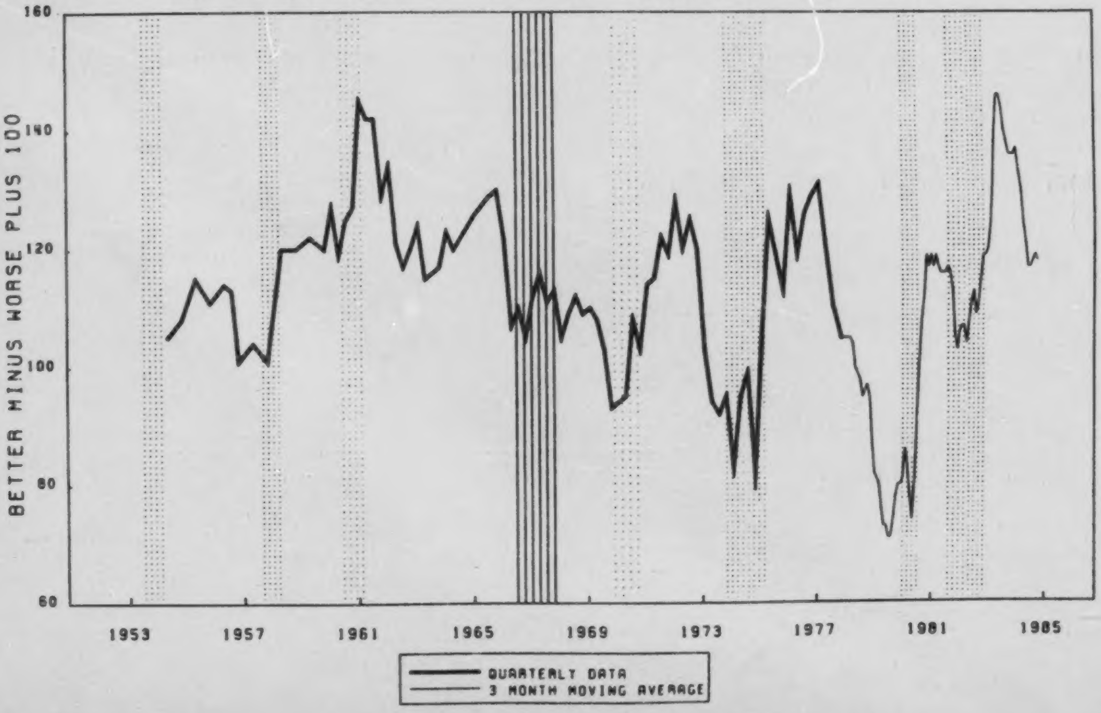


TABLE 15

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
BETTER	46%	46%	44%	46%	38%	38%	32%	31%	30%	32%	33%	33%	32%
SAME	41	43	45	43	48	49	52	53	53	51	49	48	49
WORSE	11	9	8	9	11	11	14	14	15	12	14	15	16
DK,NA	2	2	3	2	3	2	2	2	2	5	4	4	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

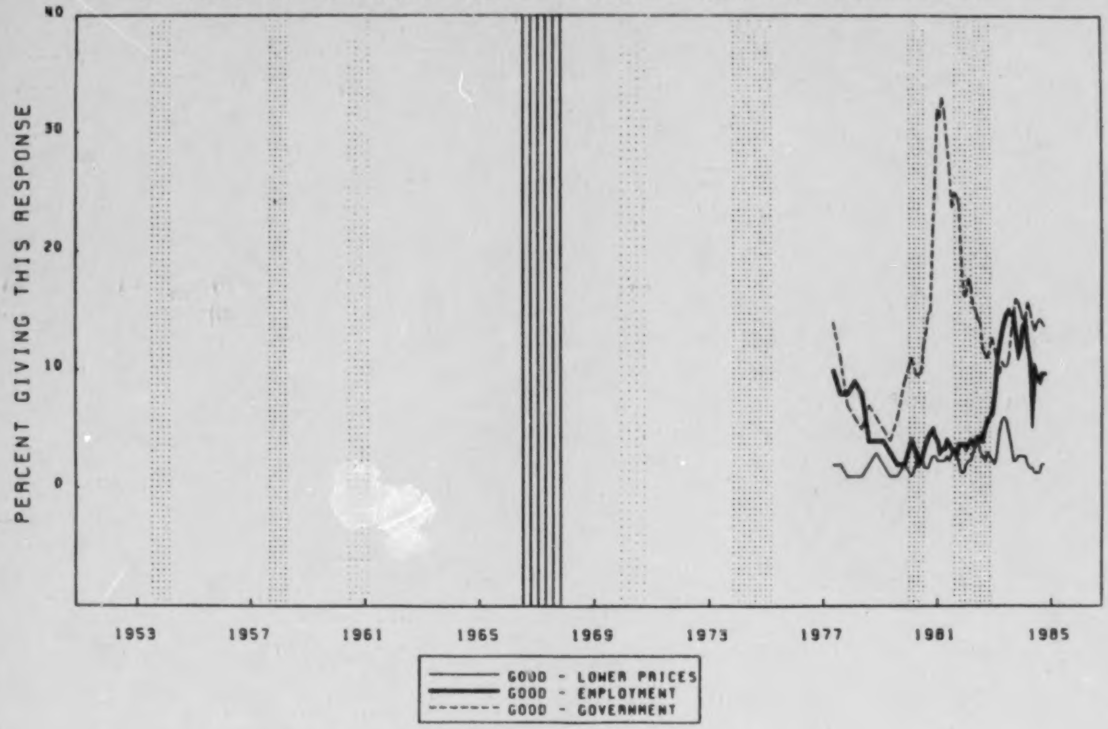


CHART 16B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

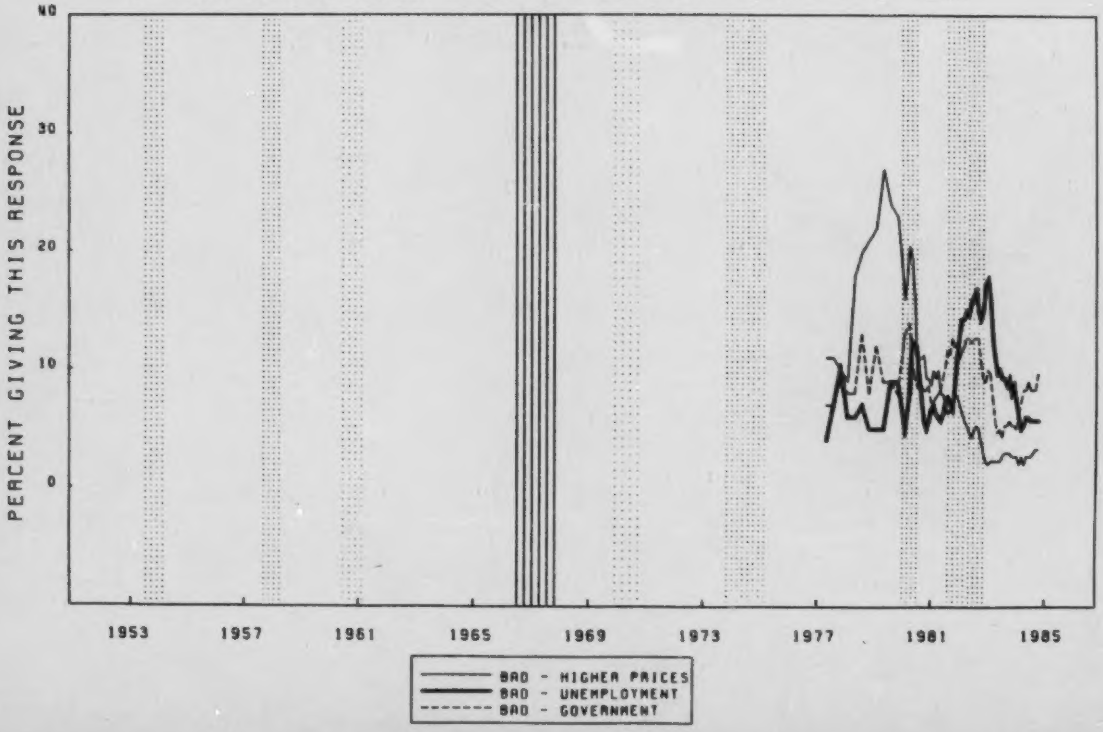


TABLE 16

REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
FAVORABLE REASONS:													
Government; elections	17%	15%	13%	15%	15%	17%	13%	12%	15%	15%	13%	14%	14%
Employment	10	10	16	15	11	10	11	9	10	9	8	12	9
Higher consumer demand	8	8	8	8	5	4	4	5	4	5	5	2	2
Lower prices	3	2	3	3	1	2	1	2	1	1	2	3	1
Easier credit	6	4	4	3	4	2	2	2	2	4	4	4	3
UNFAVORABLE REASONS:													
Government; elections	5	5	6	4	9	9	7	9	11	5	9	11	9
Unemployment	10	8	8	6	4	5	7	6	5	6	6	5	6
Lower consumer demand	3	2	2	2	1	1	2	2	2	2	3	2	2
Higher prices	3	3	2	3	1	3	2	3	2	3	4	3	3
Tighter credit	2	2	1	2	4	2	7	7	8	7	5	4	4
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

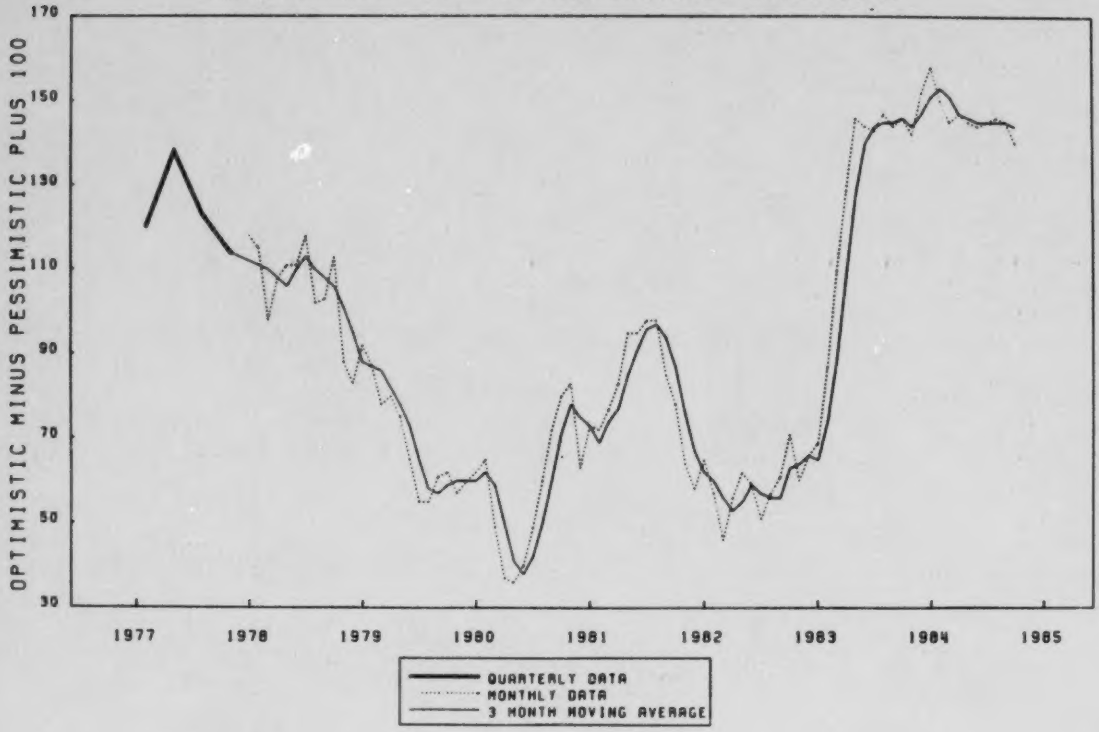


CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

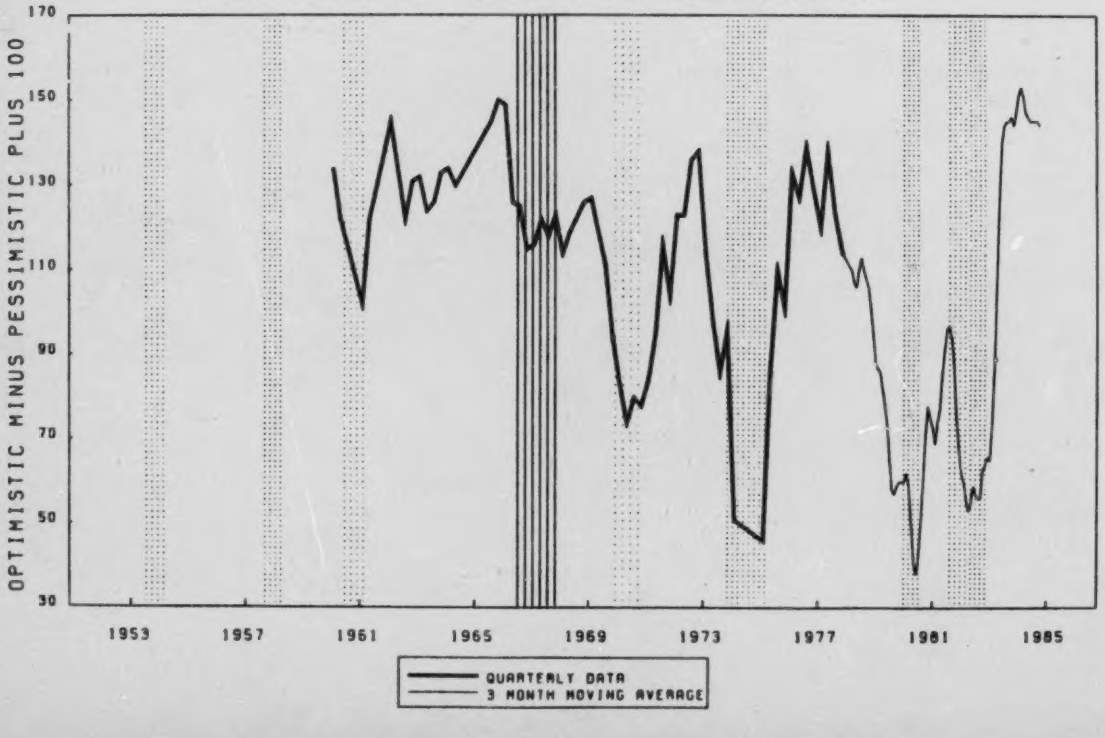


TABLE 17

TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
TREND:													
Continuous increase (a)	39%	36%	38%	41%	32%	31%	25%	27%	25%	25%	25%	27%	24%
Intermittent increase (b)	26	27	30	31	34	32	39	36	37	38	36	35	36
Remain unchanged (c)	5	4	6	4	5	6	7	7	7	4	6	6	5
Intermittent decline (d)	13	17	12	10	12	14	10	13	11	12	10	11	12
Continuous decline (e)	6	4	4	4	4	4	7	5	7	6	5	6	8
Mixed change (f)	7	9	7	7	10	10	9	10	9	9	12	10	10
DK,NA	4	3	3	3	3	3	3	2	4	6	6	5	5
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

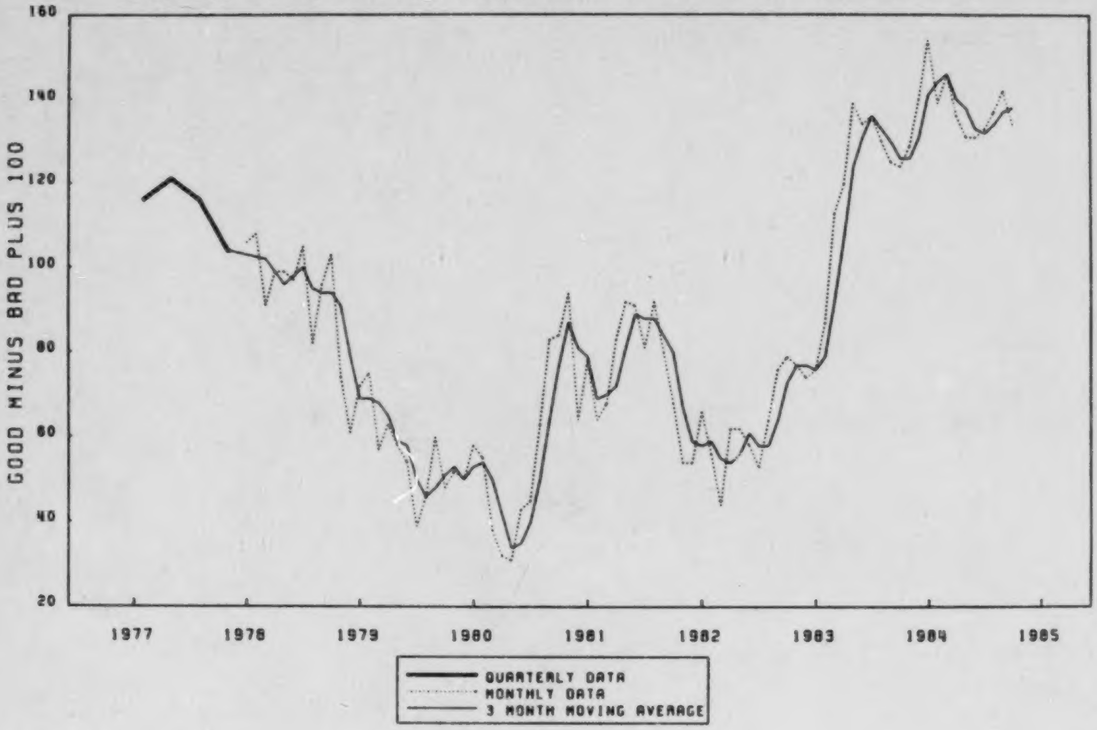


CHART 18 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

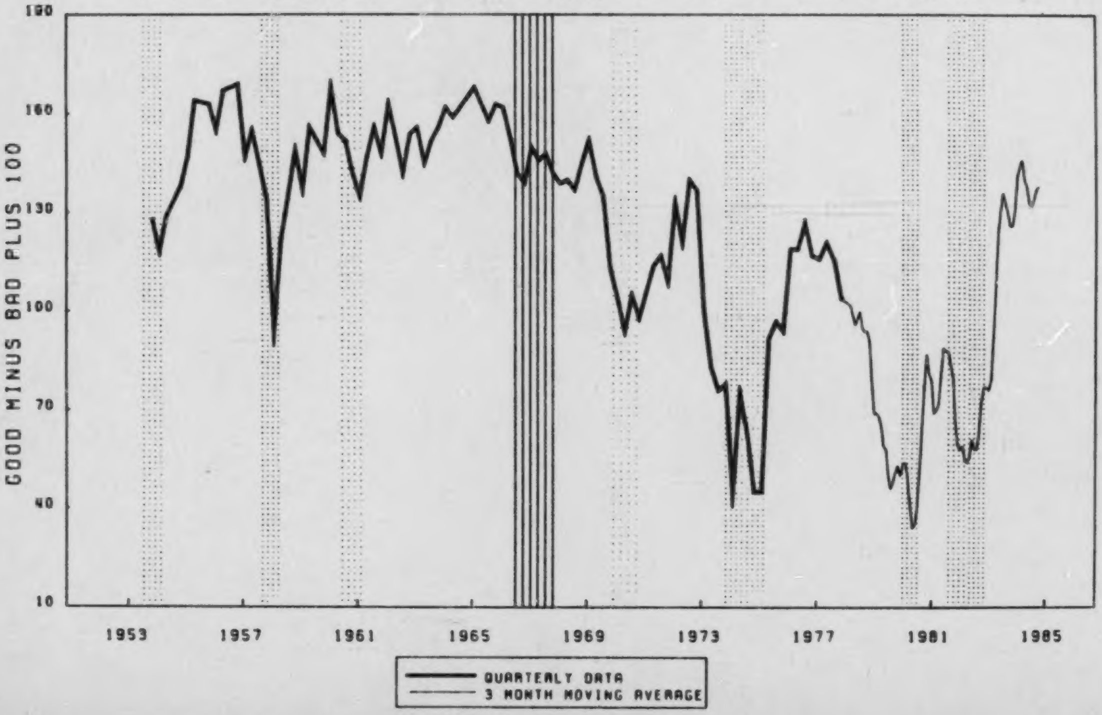


TABLE 18

BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
GOOD TIMES	58%	59%	67%	73%	65%	69%	63%	60%	60%	61%	62%	66%	60%
UNCERTAIN; GOOD & BAD	3	3	2	2	2	2	3	3	2	2	3	3	4
BAD TIMES	34	30	27	19	26	23	27	29	29	28	25	24	26
DON'T KNOW	4	6	3	5	5	4	5	5	6	6	7	6	6
NOT ASCERTAINED	1	2	1	1	2	2	2	3	3	3	3	1	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

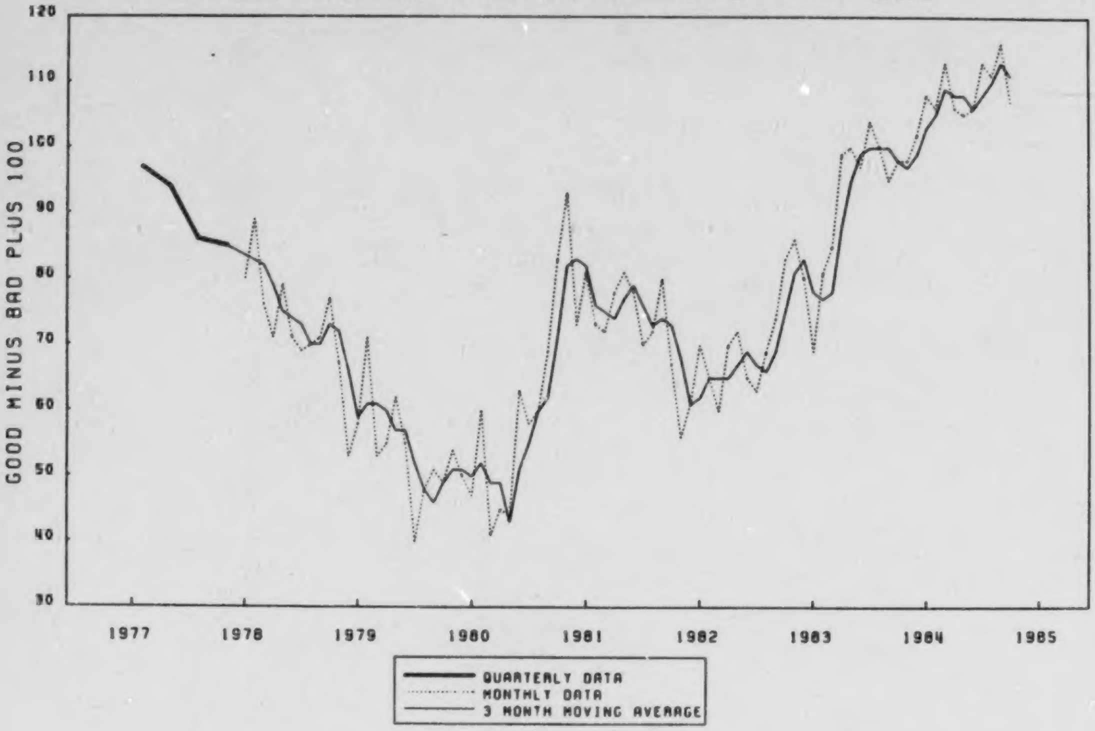


CHART 19 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

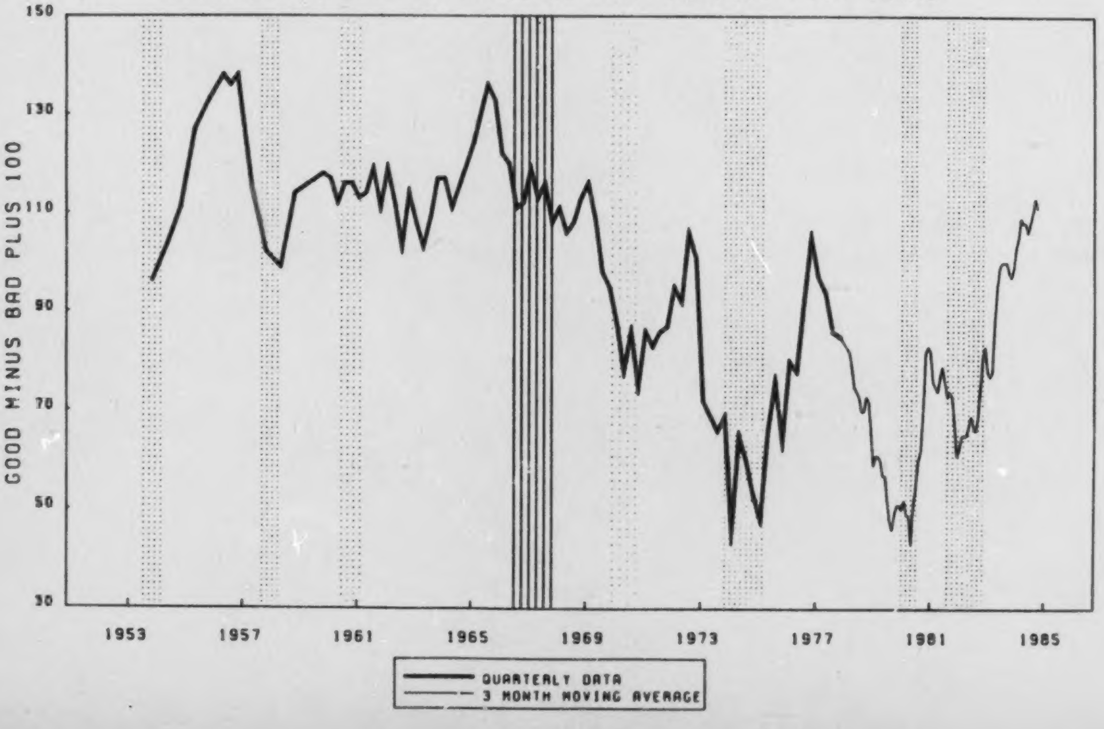


TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
GOOD TIMES	39%	39%	39%	44%	42%	47%	41%	43%	42%	44%	47%	47%	43%
UNCERTAIN; GOOD & BAD	17	15	21	17	16	15	19	15	17	19	13	17	17
BAD TIMES	41	41	37	36	36	34	35	38	36	31	36	31	36
NOT ASCERTAINED	3	5	3	3	6	4	5	4	5	6	4	5	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

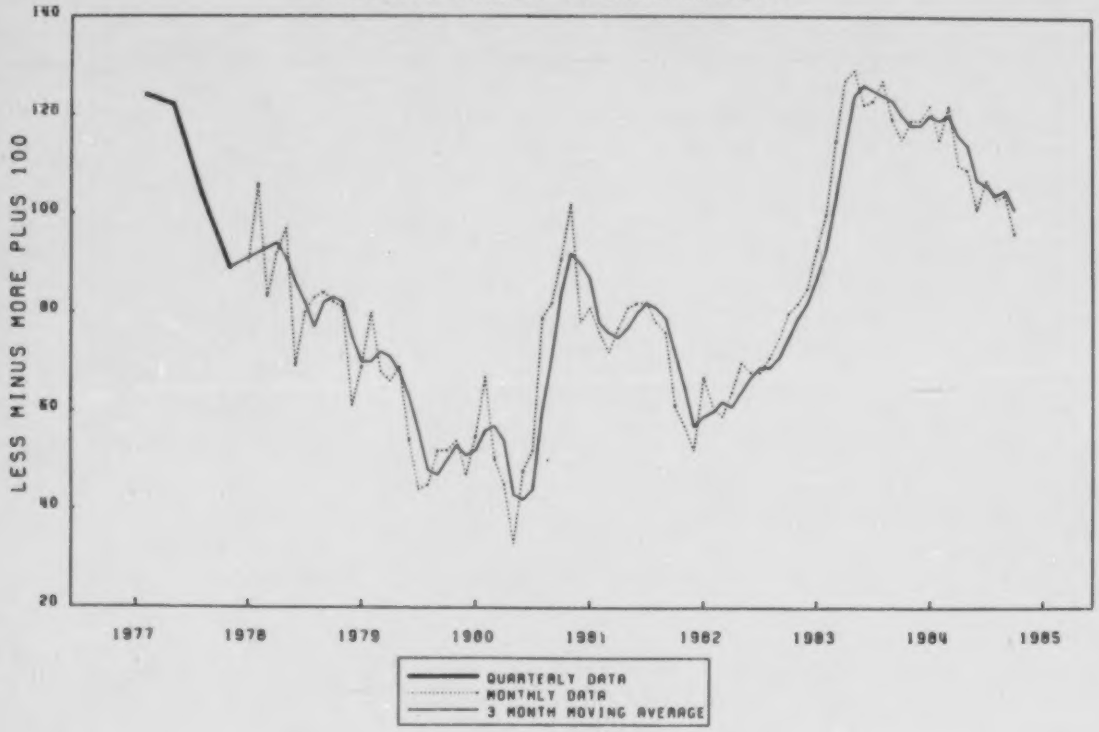


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

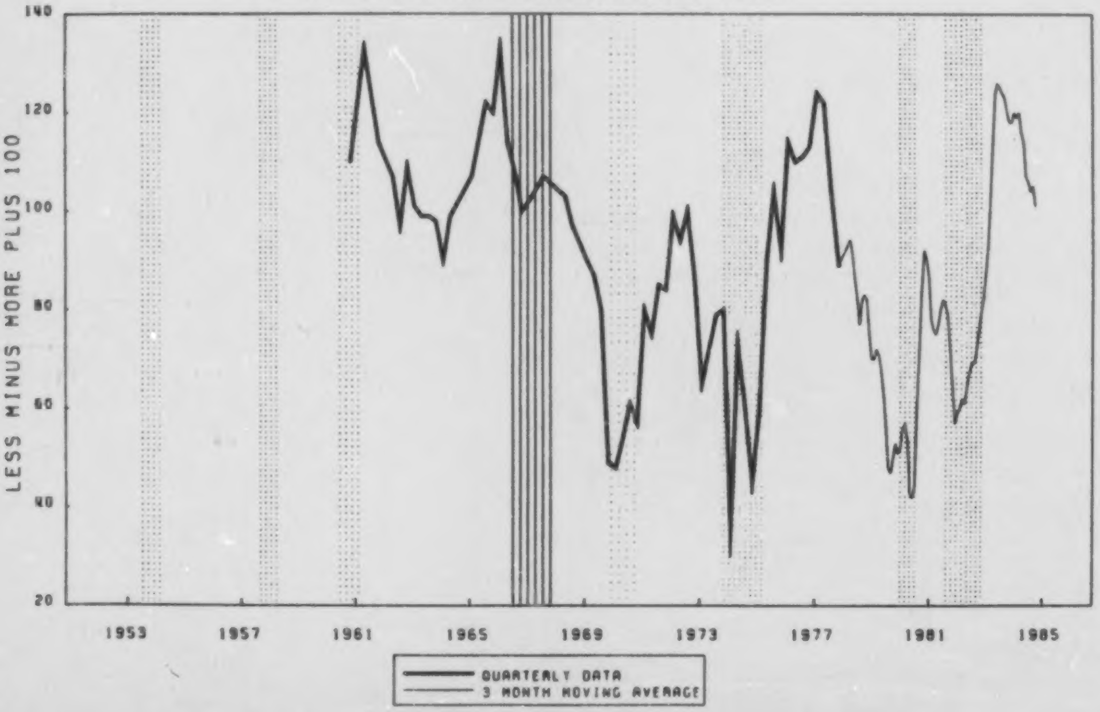


TABLE 20

EXPECTED CHANGE IN UNEMPLOYMENT

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
LESS	35%	35%	36%	36%	31%	38%	28%	29%	24%	26%	24%	26%	20%
SAME	44	47	45	48	50	45	52	51	52	53	54	50	54
MORE	20	16	17	14	16	16	18	20	23	19	21	22	24
DK,NA	1	2	2	2	3	1	2	*	1	2	1	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

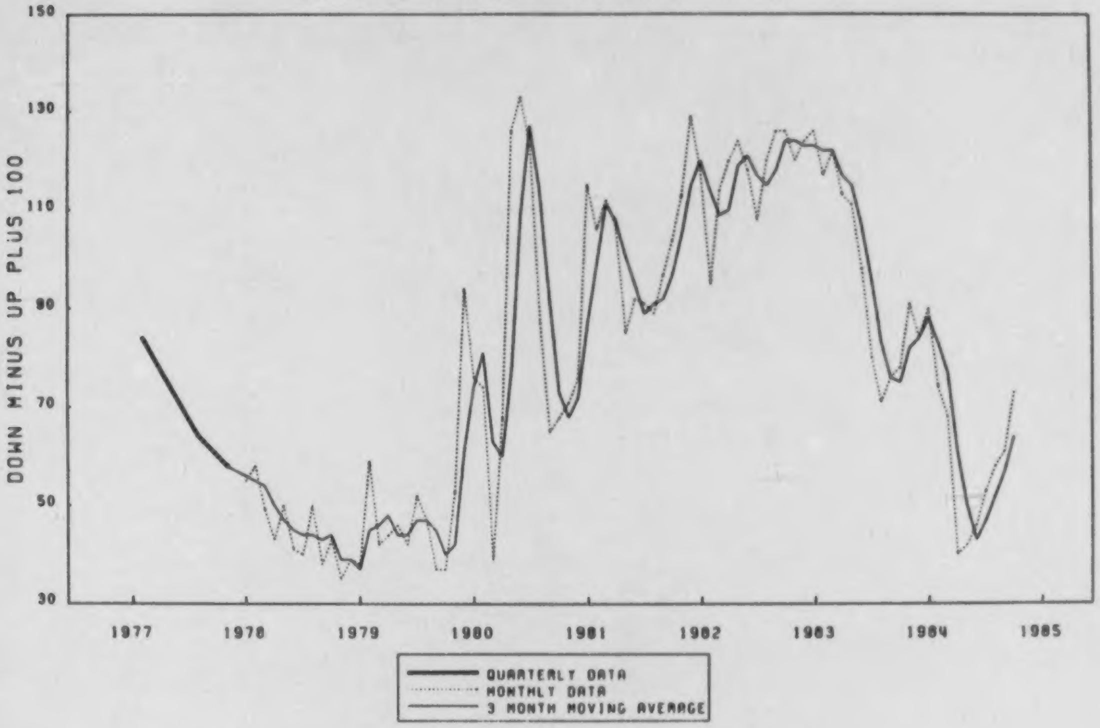


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

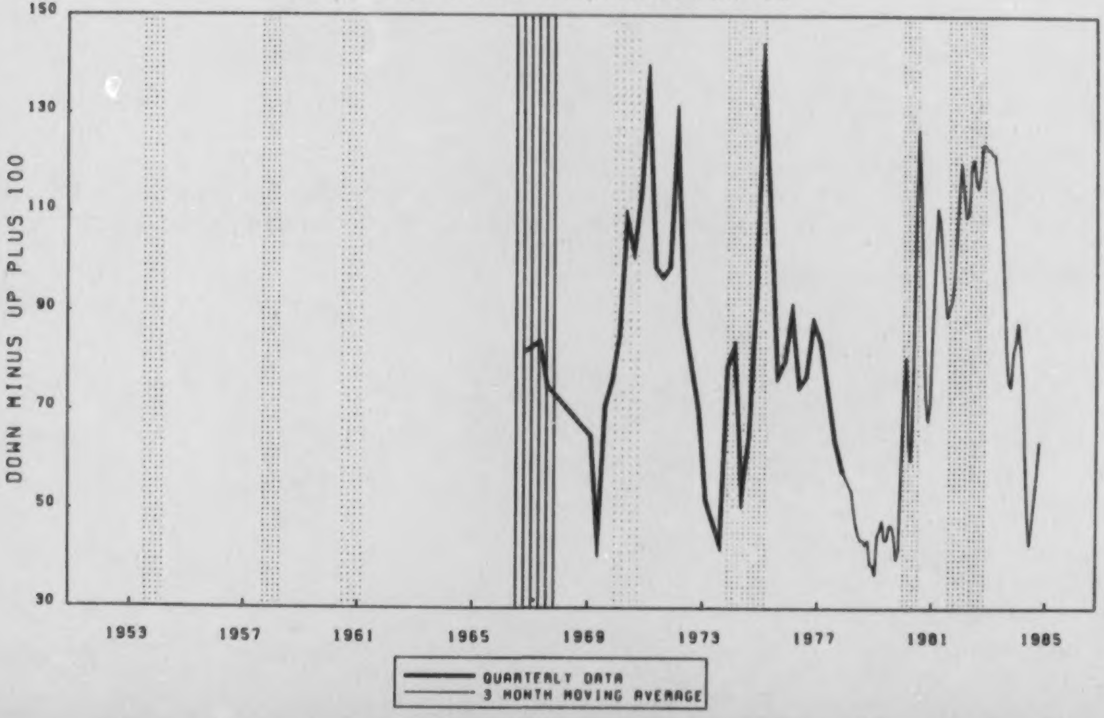


TABLE 21

EXPECTED CHANGE IN INTEREST RATES

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
GO UP	43%	33%	37%	32%	42%	45%	68%	66%	64%	58%	55%	52%	45%
STAY THE SAME	33	40	37	43	38	37	21	25	24	27	29	32	33
GO DOWN	21	24	21	22	16	13	8	8	10	11	13	13	18
DK,NA	3	3	5	3	4	5	3	1	2	4	3	3	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES
CHANGE IN PRICES DURING THE LAST 12 MONTHS

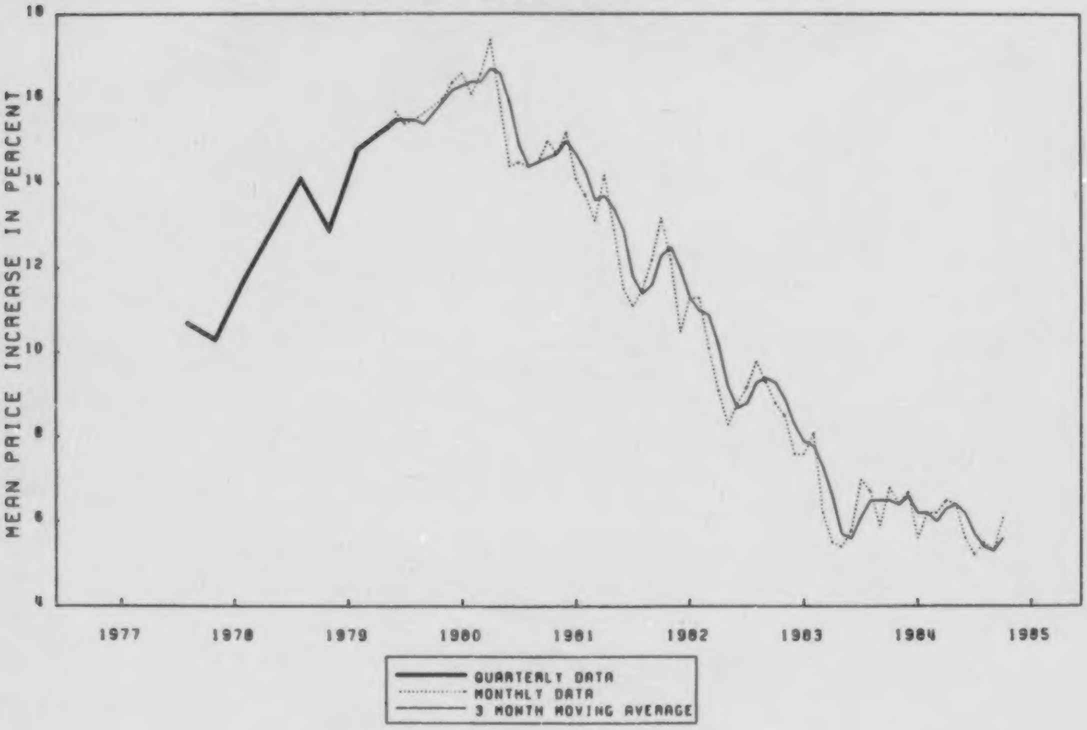


TABLE 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
SAME OR DOWN	21%	24%	24%	23%	23%	23%	22%	23%	22%	27%	29%	29%	28%
GONE UP BY:													
1-2%	8	9	8	12	9	8	10	10	12	8	10	9	9
3-4%	14	13	15	16	14	16	14	14	17	17	12	16	15
5%	16	15	15	17	17	15	17	17	16	16	18	16	13
6-9%	11	8	8	8	9	10	11	9	8	8	8	7	7
10-14%	14	14	11	9	14	12	9	13	12	11	11	9	11
15% or more	11	9	10	7	9	9	12	10	8	8	7	8	11
DK how much up	4	7	8	7	5	7	5	4	5	4	5	6	5
DK,NA	1	1	1	1	*	*	*	*	*	1	*	*	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	6.8	6.4	6.7	5.6	6.2	6.2	6.5	6.4	5.6	5.2	5.5	5.3	6.1
VARIANCE	81	76	90	69	68	72	75	78	54	48	75	63	84
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

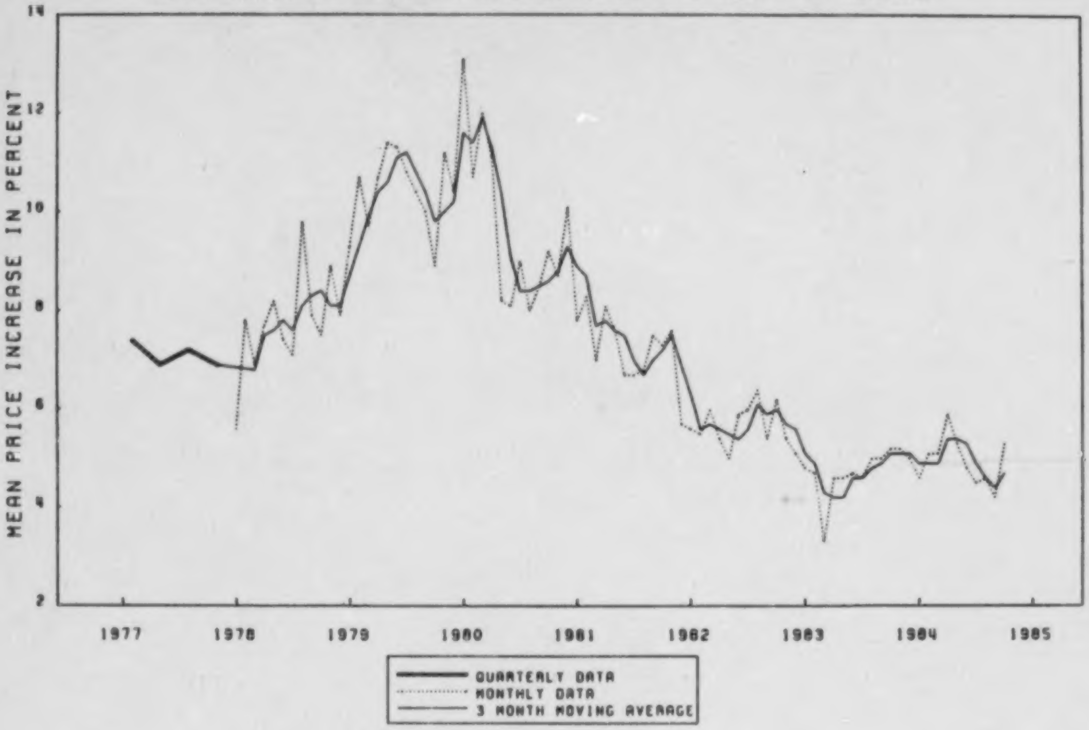


CHART 23 - HISTORICAL SERIES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

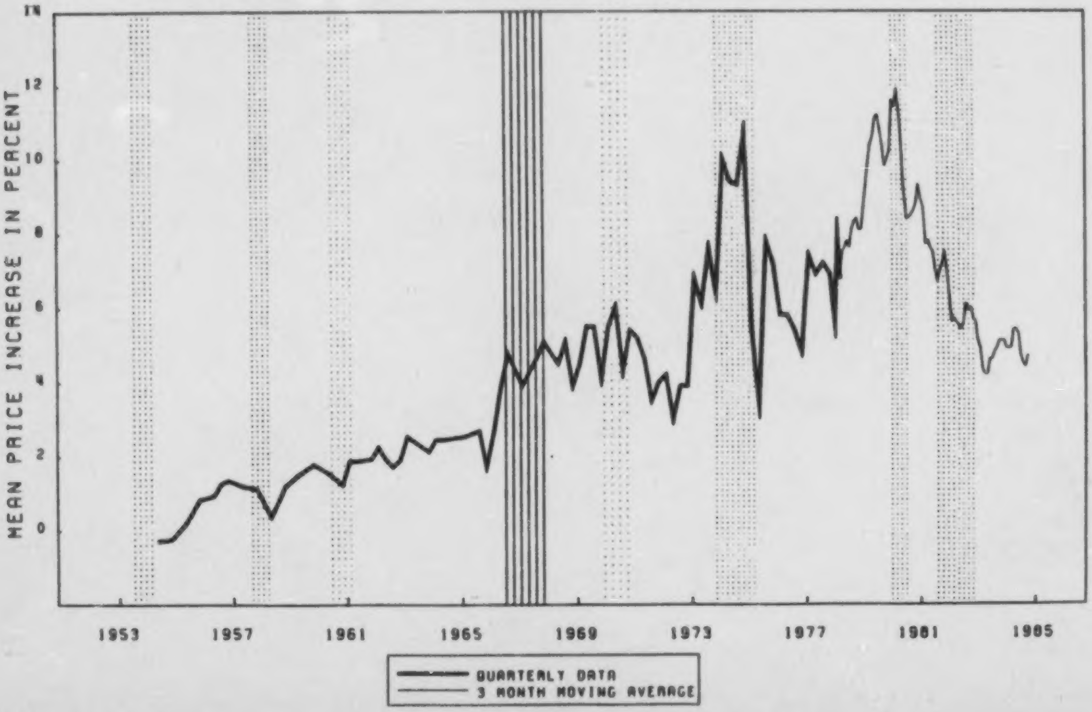


TABLE 23

EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
SAME OR DOWN	24%	25%	23%	25%	23%	24%	19%	19%	19%	23%	24%	24%	22%
WILL GO UP BY:													
1-2%	12	12	12	13	14	14	13	15	14	13	18	16	13
3-4%	15	14	15	20	19	16	17	15	16	17	15	19	15
5%	15	16	17	13	19	15	15	20	18	20	18	14	18
6-9%	10	9	8	9	6	10	12	11	11	8	6	8	9
10-14%	11	11	11	10	8	11	11	9	13	8	8	8	10
15% or more	8	6	5	4	6	5	8	6	4	5	5	4	7
DK how much up	4	5	7	4	4	4	3	4	4	3	5	4	4
DK,NA	1	2	2	2	1	1	2	1	1	3	1	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	5.2	5.2	5.0	4.6	5.1	5.1	5.9	5.3	4.8	4.5	4.6	4.2	5.3
VARIANCE	36	54	44	40	51	55	57	49	27	33	46	36	53
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

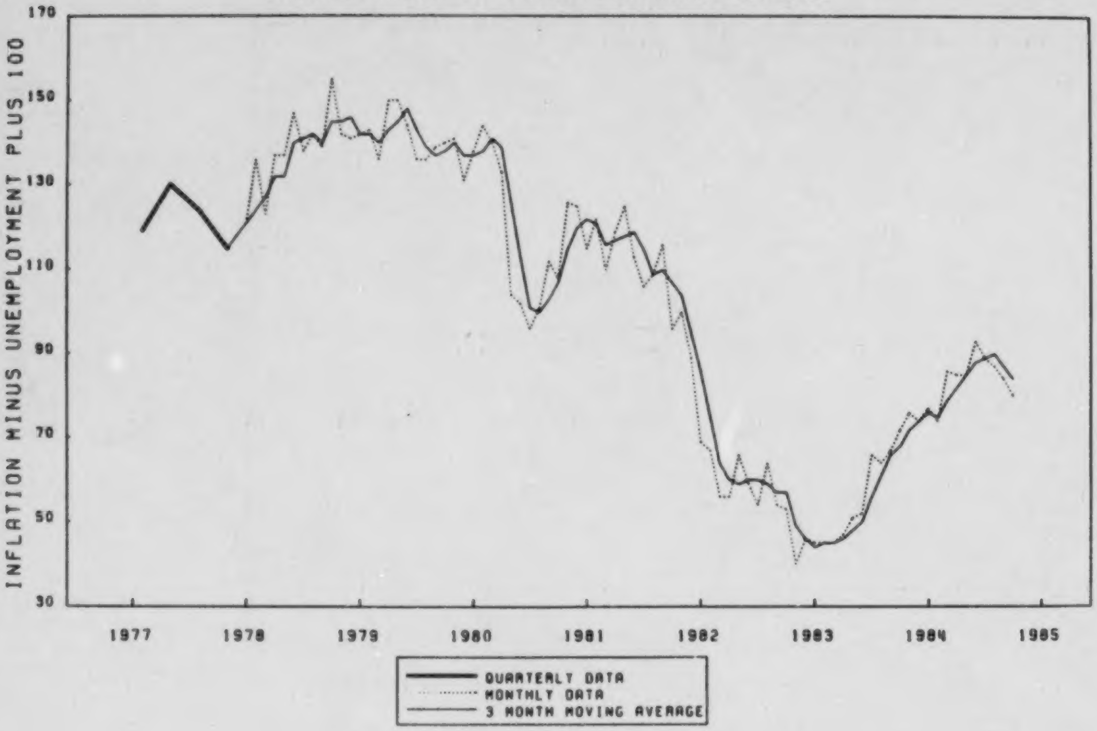


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

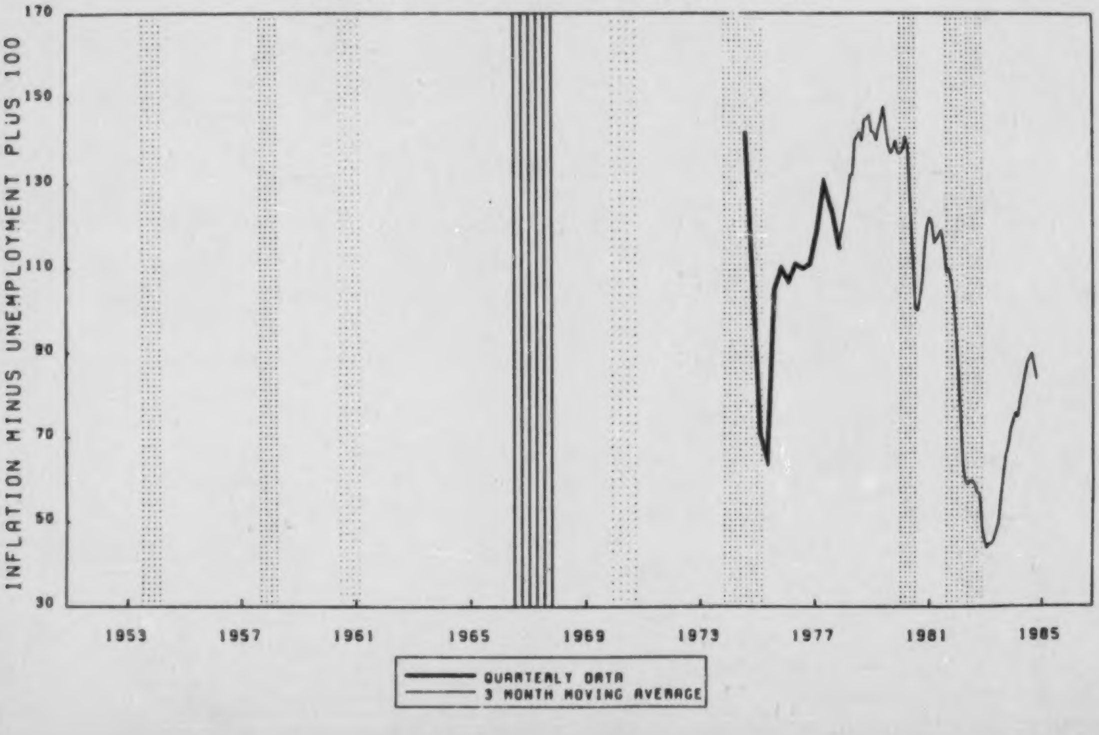


TABLE 24

UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
UNEMPLOYMENT	61%	57%	59%	58%	59%	52%	53%	54%	51%	51%	52%	54%	55%
BOTH EQUALLY SERIOUS	5	7	6	4	5	7	7	6	3	7	6	5	8
INFLATION	33	33	33	35	33	38	38	39	44	40	39	38	35
DK, NA	1	3	2	3	3	3	2	1	2	2	3	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

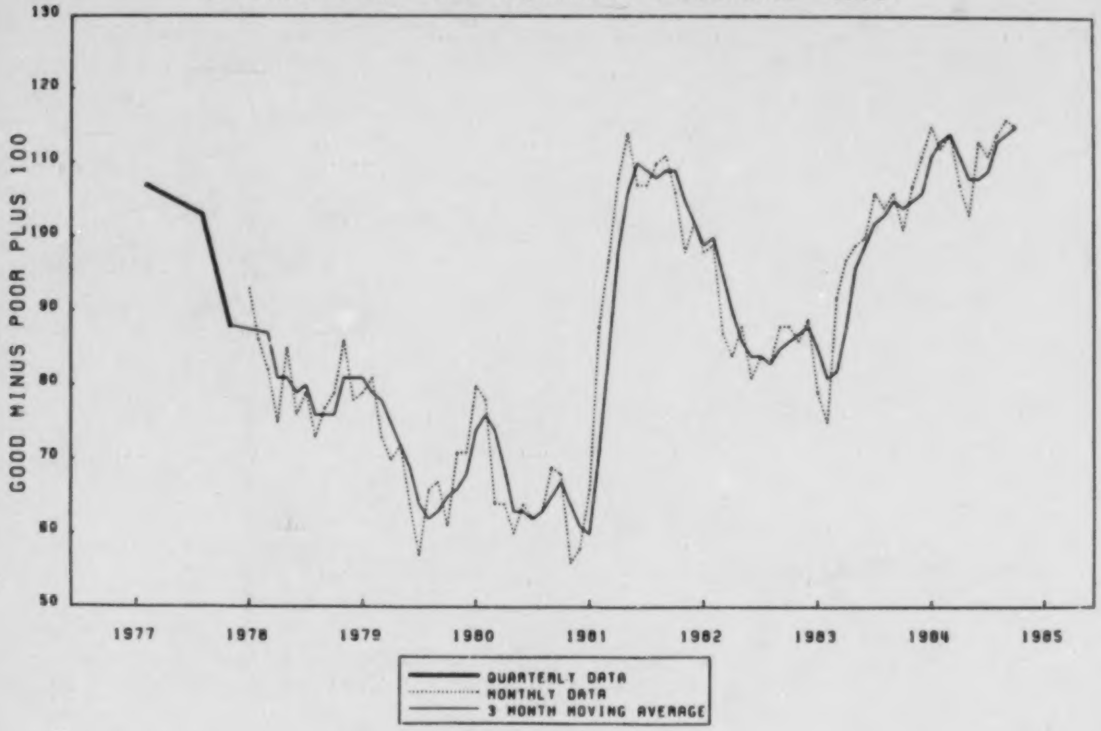


CHART 25 - HISTORICAL SERIES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

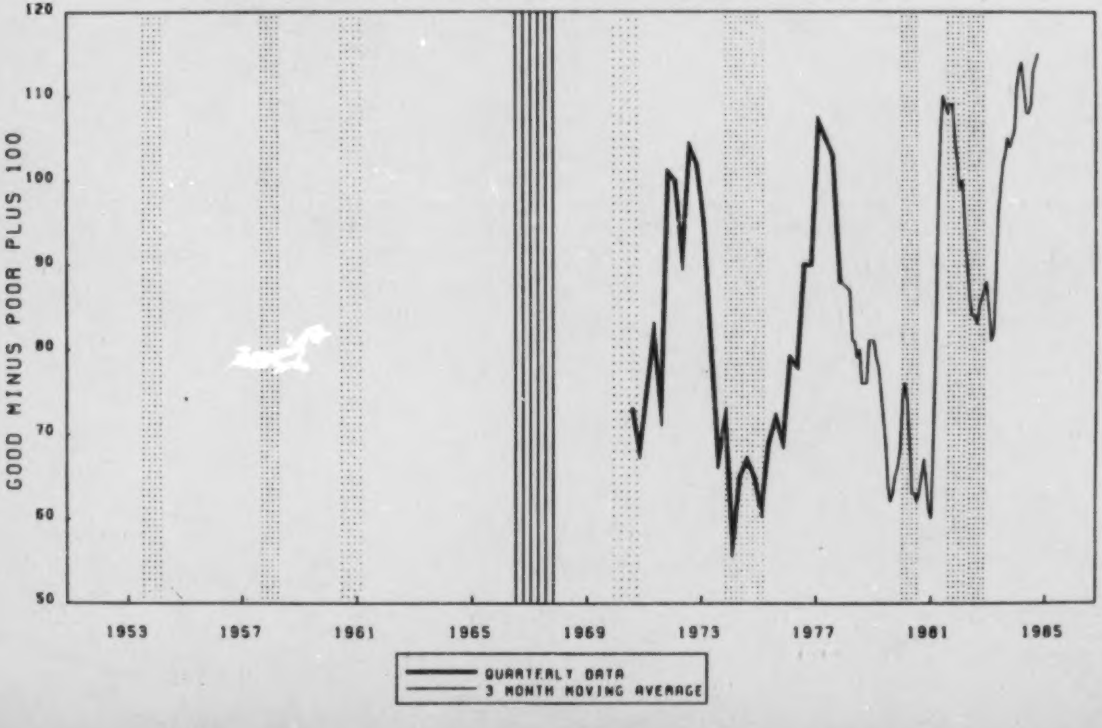


TABLE 25

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
A GOOD JOB	25%	27%	29%	31%	32%	33%	27%	25%	31%	30%	33%	35%	36%
ONLY FAIR	50	49	51	52	45	47	50	52	49	48	46	44	41
A POOR JOB	24	20	18	16	20	19	20	22	18	19	19	19	21
DK,NA	1	4	2	1	3	1	3	1	2	3	2	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

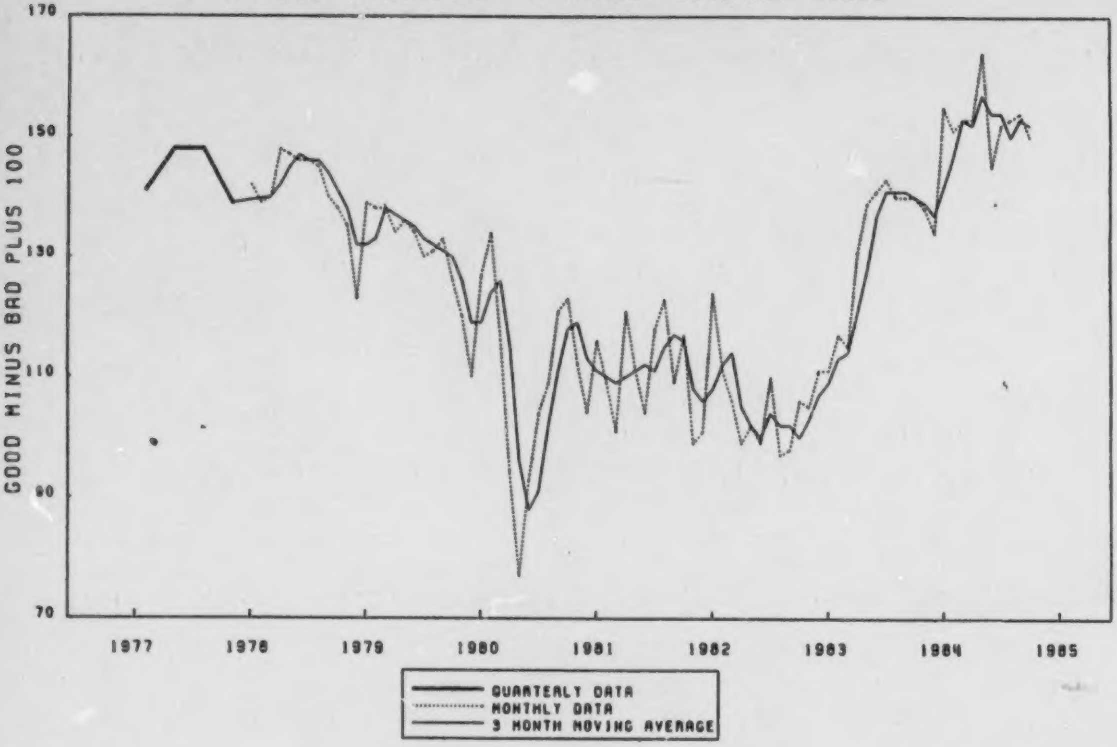


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

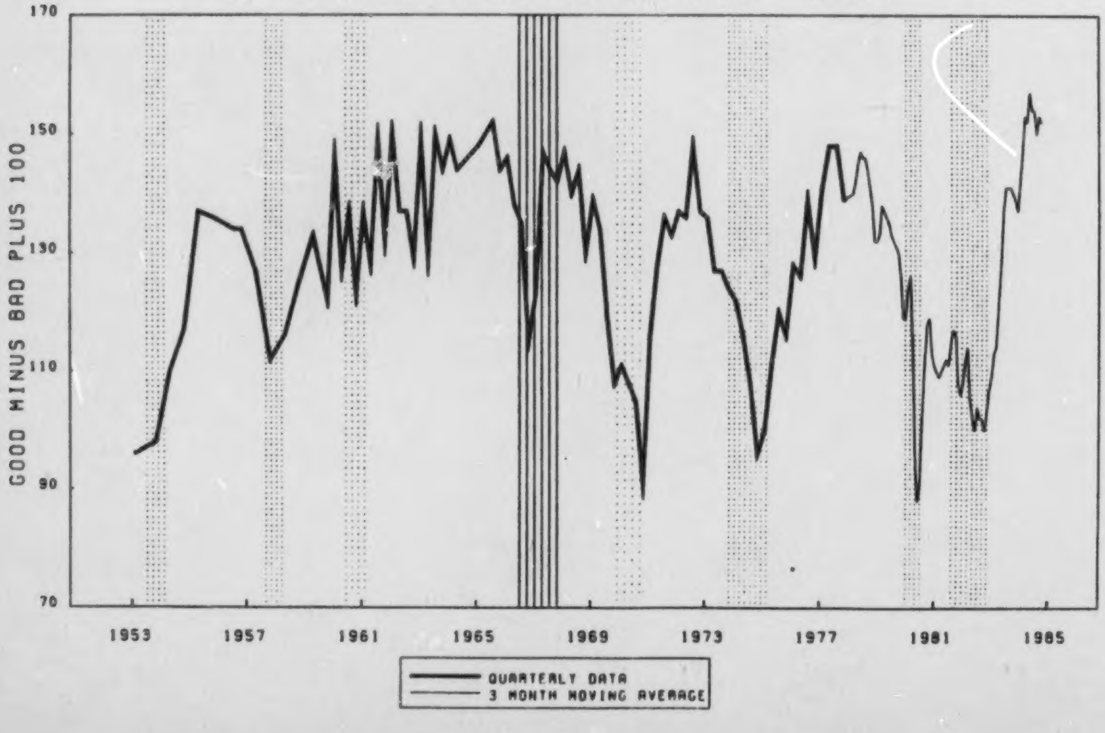


TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
GOOD TIME TO BUY	65%	64%	61%	73%	70%	72%	72%	77%	67%	71%	72%	72%	70%
UNCERTAIN, DEPENDS	10	10	12	9	11	9	9	10	11	10	9	10	10
BAD TIME TO BUY	25	26	27	18	19	19	19	13	22	19	19	18	20
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

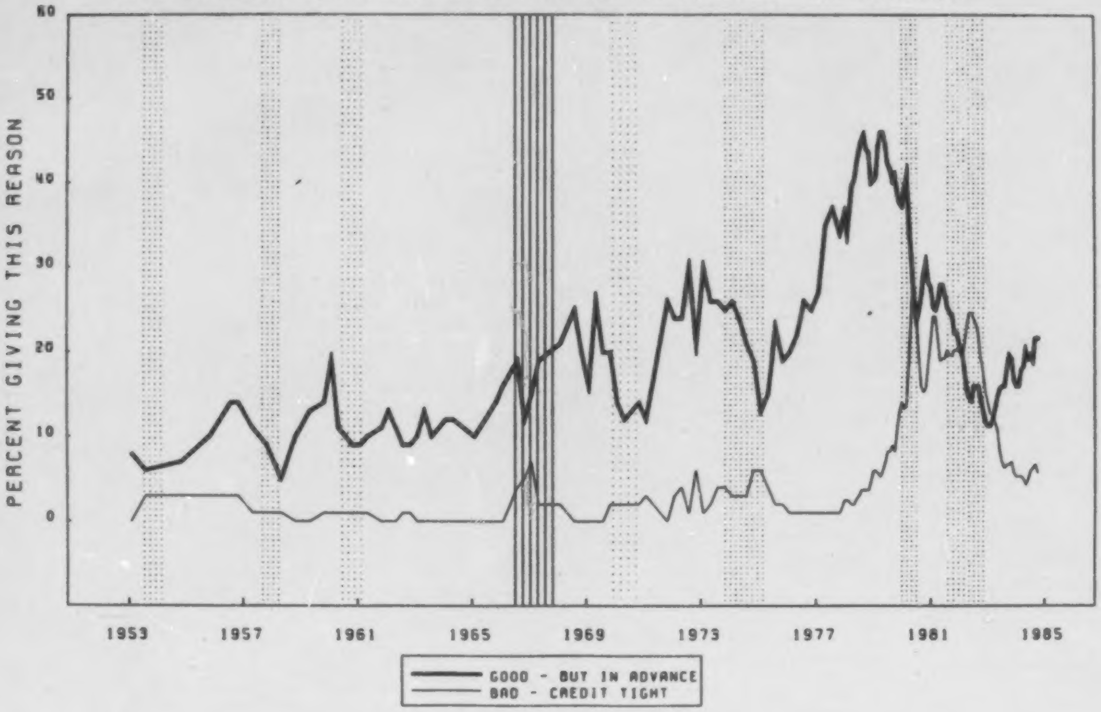


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

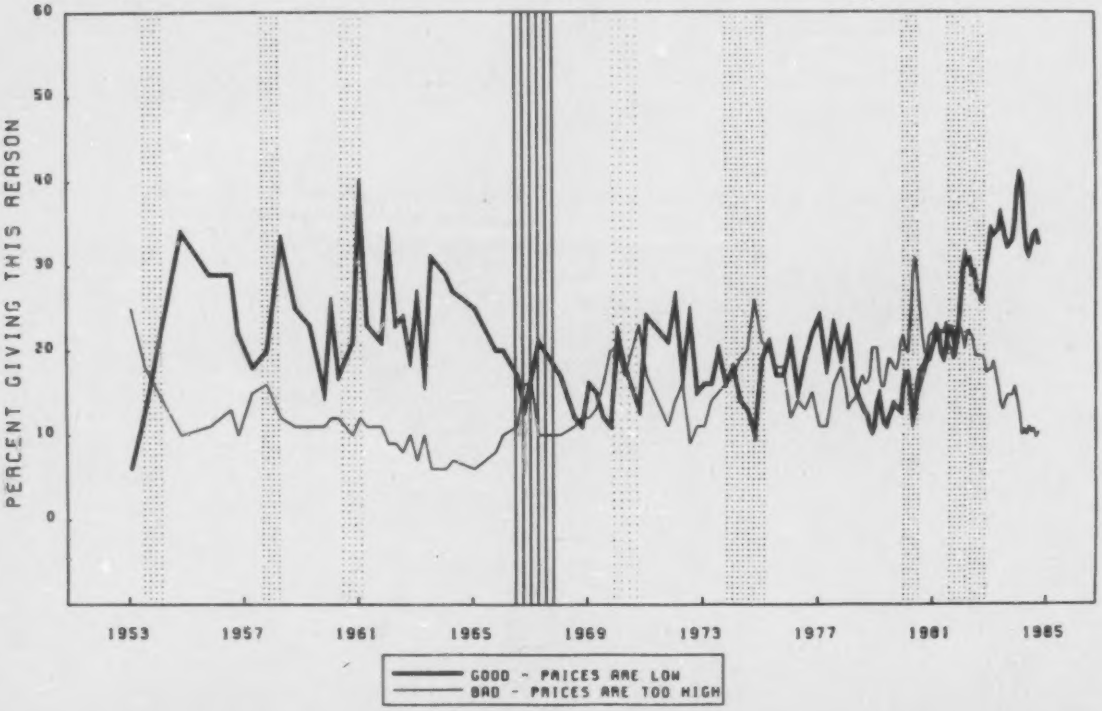


TABLE 27

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
GOOD TIME TO BUY:													
Prices are low; good buys available	33%	34%	38%	45%	39%	35%	30%	31%	33%	33%	35%	34%	29%
Prices won't come down; are going higher	21	16	13	19	16	19	20	22	16	21	20	24	21
Interest rates low; credit is easy	7	8	7	9	11	10	14	11	11	10	8	8	11
BAD TIME TO BUY:													
Prices are high	14	15	18	10	10	10	12	8	13	10	9	10	12
Interest rates are high; credit is tight	7	7	3	6	7	3	5	5	5	8	6	6	5
Lack of purchasing power	12	8	10	7	7	9	6	5	7	5	7	7	7

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

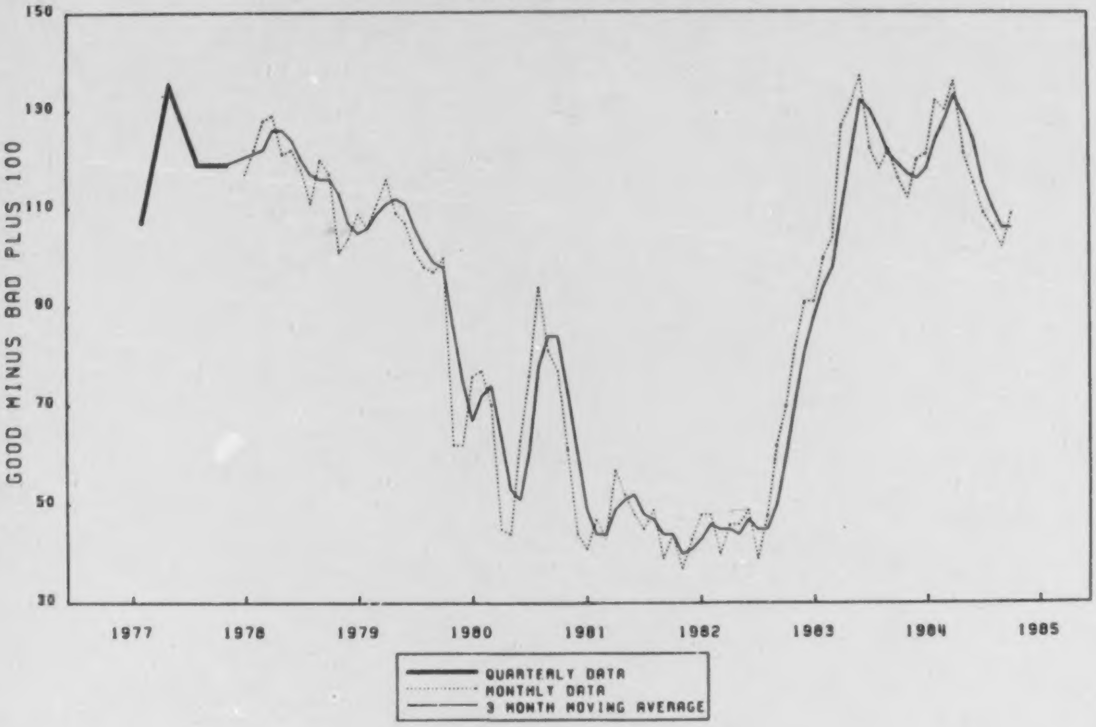


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

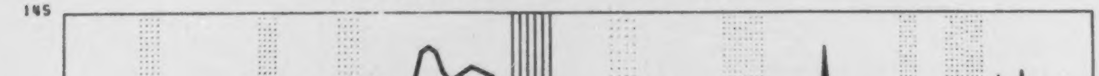


TABLE 28

BUYING CONDITIONS FOR HOUSES

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
GOOD TIME TO BUY	55%	53%	57%	59%	63%	62%	66%	58%	55%	52%	50%	48%	52%
UNCERTAIN, DEPENDS	6	6	6	3	6	6	4	5	5	5	6	6	5
BAD TIME TO BUY	39	41	37	38	31	32	30	37	40	43	44	46	43
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

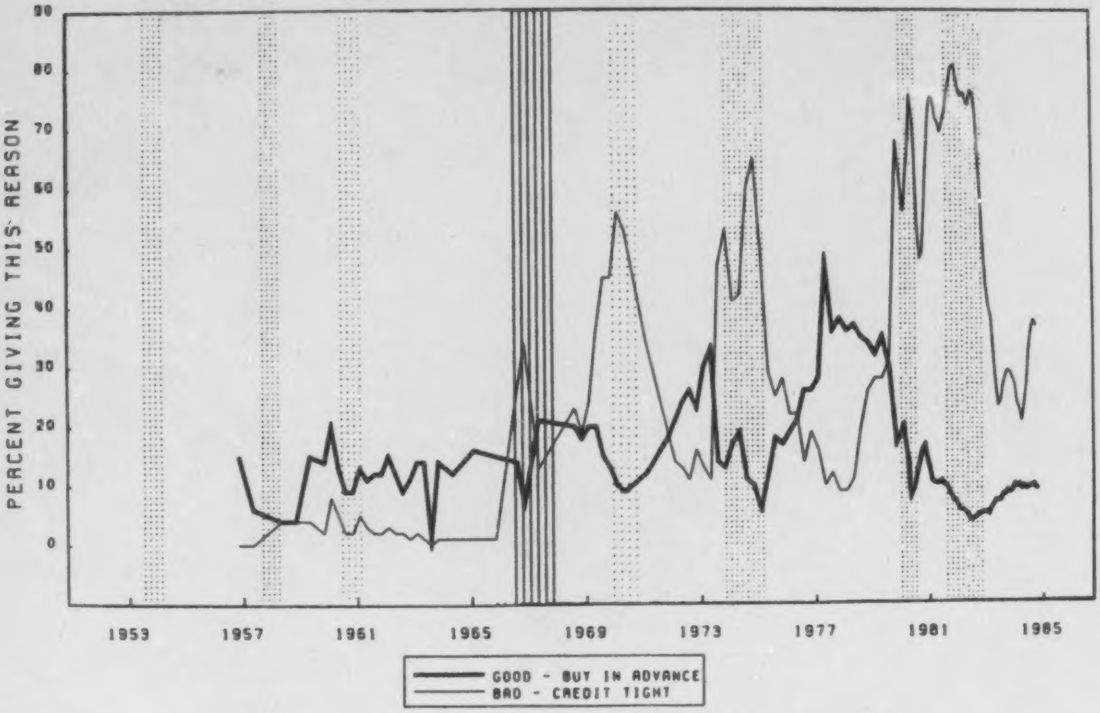


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

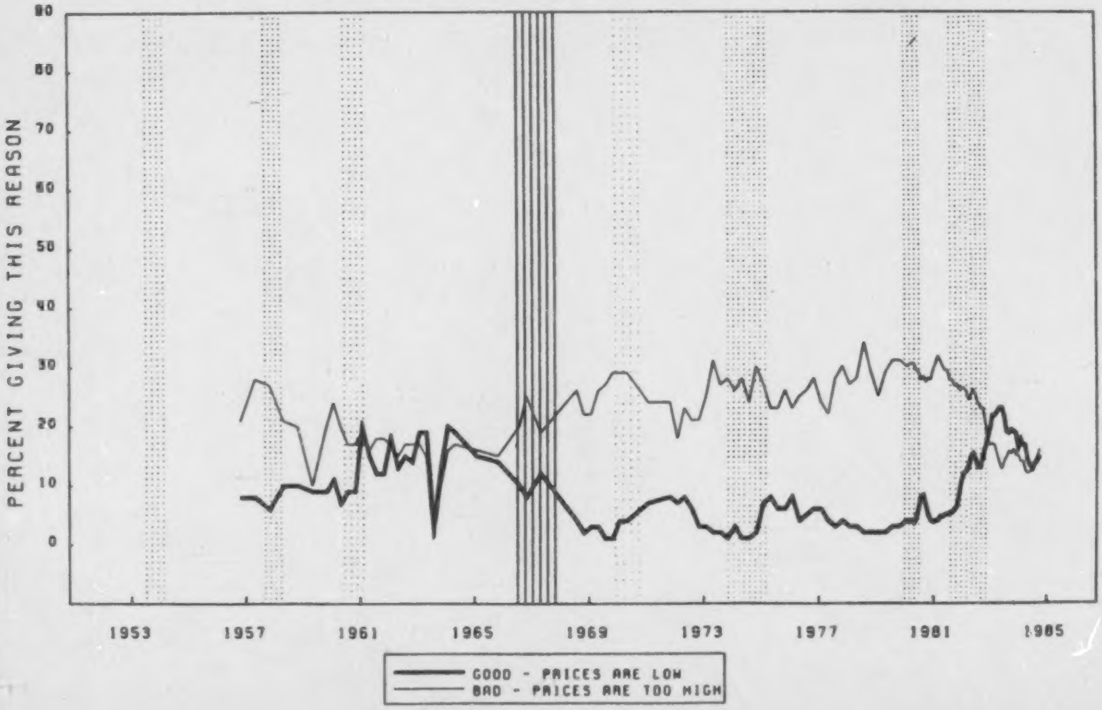


TABLE 29

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
GOOD TIME TO BUY:													
Prices are low; good buys available	22%	16%	18%	15%	20%	15%	15%	12%	13%	13%	15%	14%	15%
Prices won't come down; are going higher	9	9	9	12	8	10	10	9	9	11	9	10	9
Interest rates low; credit is easy	38	40	41	41	50	49	52	44	38	37	35	34	35
Good investment	8	5	6	8	6	8	6	5	8	5	4	7	5
BAD TIME TO BUY:													
Prices are high	16	16	13	16	13	13	11	12	14	12	16	16	16
Interest rates are high; credit is tight	29	30	25	26	20	22	20	29	33	36	40	37	33
Lack of purchasing power	15	16	13	12	10	11	10	12	10	11	11	11	10

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

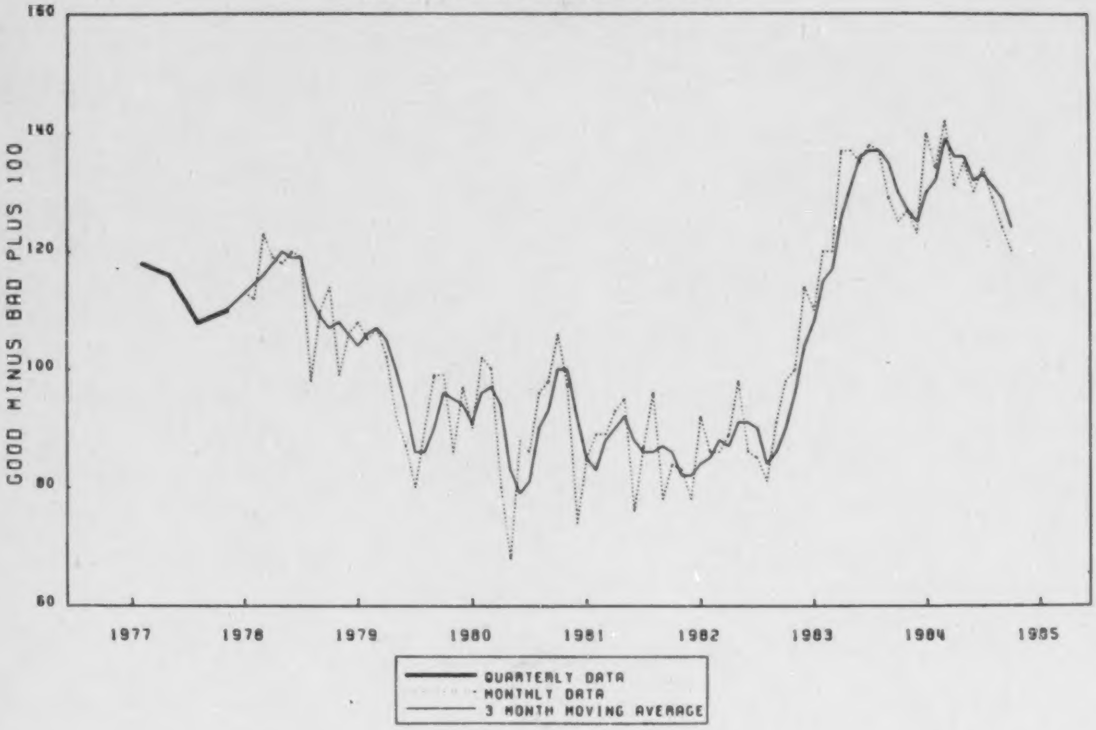


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

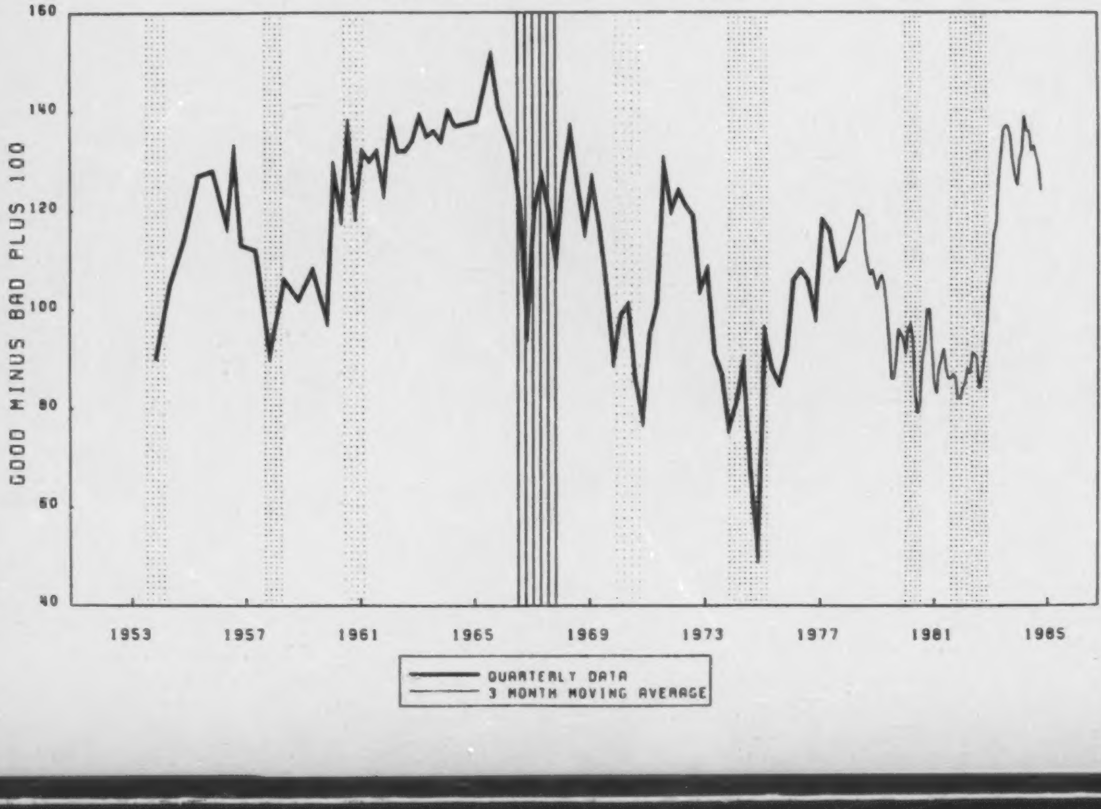


TABLE 30

BUYING CONDITIONS FOR CARS

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
GOOD TIME TO BUY	59%	59%	56%	64%	62%	66%	60%	63%	60%	62%	59%	59%	54%
UNCERTAIN; DEPENDS	7	9	11	12	10	10	11	9	10	10	11	6	12
BAD TIME TO BUY	34	32	33	24	28	24	29	28	30	28	30	35	34
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

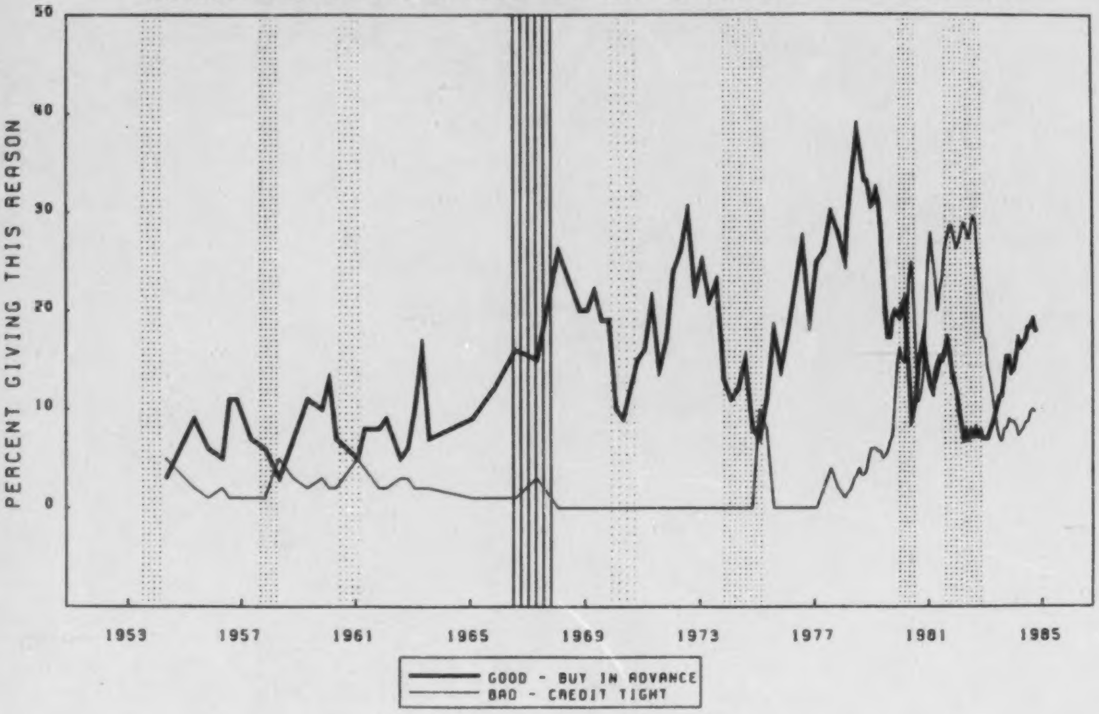


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

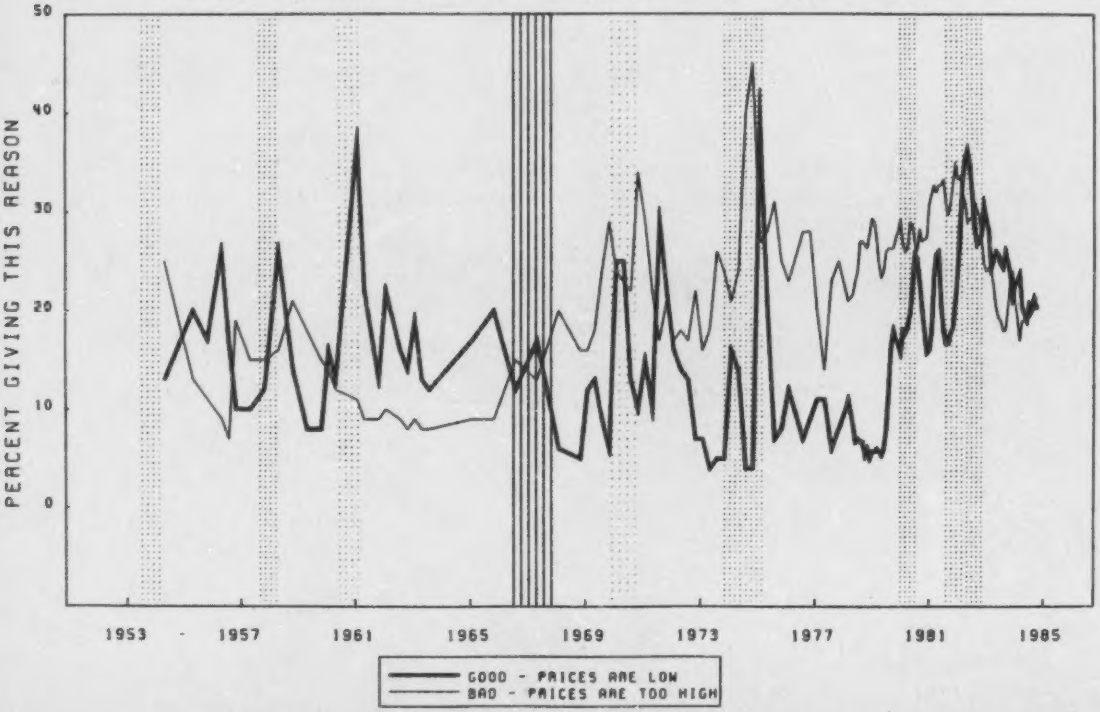


TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
GOOD TIME TO BUY:													
Prices are low; good buys available	22%	21%	21%	26%	22%	23%	16%	20%	21%	21%	19%	24%	18%
Prices won't come down; are going higher	17	12	12	18	16	17	16	17	18	20	17	20	17
Interest rates low; credit is easy	19	22	19	23	22	22	22	18	18	24	17	15	14
New fuel efficient models	2	2	2	1	2	1	1	3	1	1	2	1	2
BAD TIME TO BUY:													
Prices are high	25	23	24	16	18	17	22	18	20	20	19	22	23
Interest rates are high; credit is tight	8	9	9	8	8	6	9	9	8	9	12	9	8
Lack of purchasing power	8	6	5	3	5	5	4	5	4	4	5	6	6
Price of gas; shortages	*	*	*	*	*	1	*	*	*	*	1	*	*
Poor selection; quality	6	6	5	5	4	4	6	2	2	4	4	3	3

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

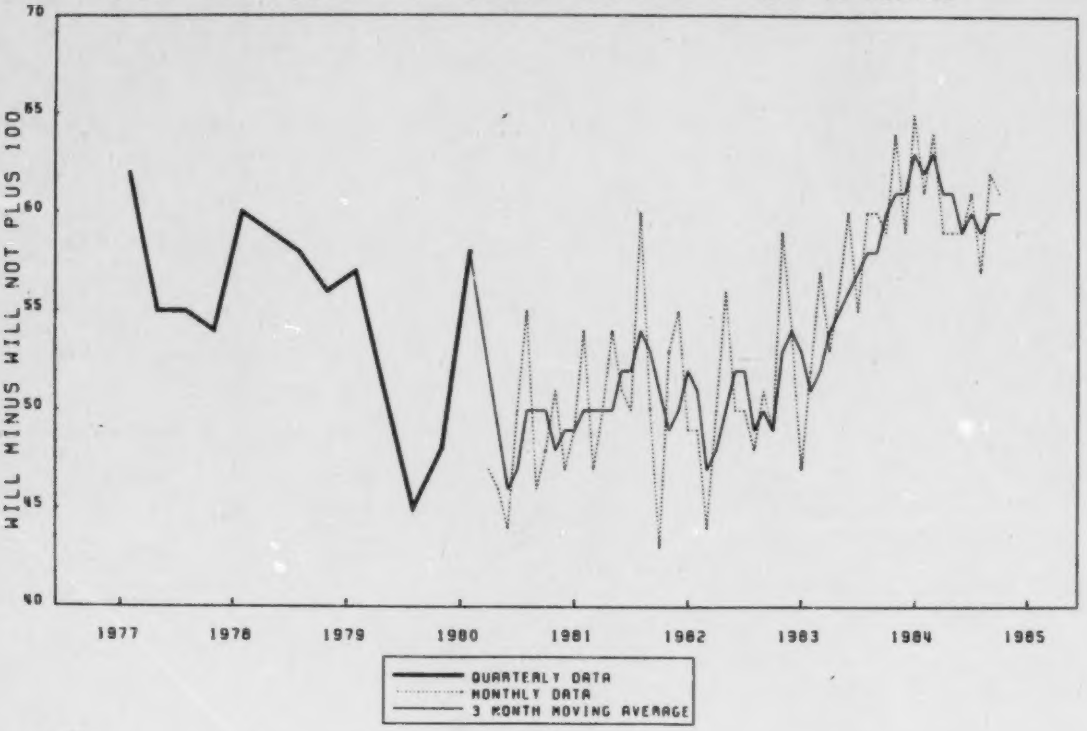


CHART 32 - HISTORICAL SERIES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

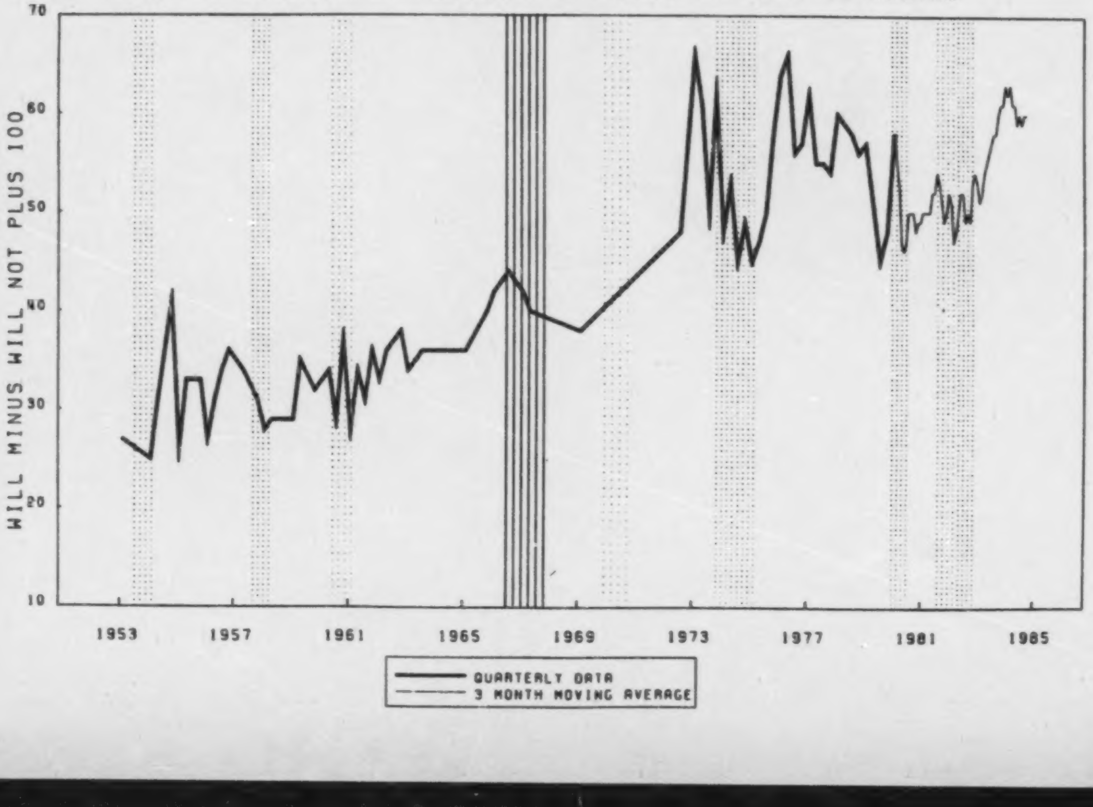


TABLE 32

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
PROBABLY WILL BUY	21%	22%	20%	23%	21%	22%	21%	19%	20%	20%	21%	22%	21%
CHANCES ARE EVEN	8	9	8	7	9	12	6	12	9	9	7	8	8
PROBABLY WILL NOT BUY	62	58	61	58	60	58	62	60	61	59	64	60	60
DK,NA	9	11	11	12	10	8	11	9	10	12	8	10	11
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	689	701	701	681	687	700	705	690	680	656	693	690	706

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
PROPORTION WITH CURRENT PURCHASE INTENTIONS:	29%	31%	28%	30%	30%	34%	27%	31%	29%	29%	28%	30%	29%
PURCHASE TYPE:													
Buy new	17	17	16	15	14	16	13	15	16	15	15	14	15
Buy used	9	12	9	13	13	17	12	14	11	12	11	13	12
Lease	2	1	2	1	2	1	1	2	1	2	1	2	2
DK,NA	1	1	1	1	1	*	1	*	1	*	1	1	*
PURCHASE TIMING:													
Next 3 months	6	4	2	5	3	2	7	3	2	7	3	1	6
Next 4-6 months	8	5	4	10	7	10	6	9	8	6	5	8	6
Next 7-9 months	8	9	10	7	8	8	6	7	9	3	4	5	7
10 months or more	4	8	8	4	5	8	4	6	4	7	8	10	4
DK,NA	3	5	4	4	7	6	4	6	6	6	8	6	6

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984
PROPORTION WITH FUTURE PURCHASE INTENTIONS:	62%	58%	61%	58%	60%	58%	62%	60%	61%	59%	64%	60%	60%
PURCHASE TYPE:													
Would buy new	33	36	36	36	32	32	34	33	36	35	33	34	31
Would buy used	29	21	24	21	26	25	27	26	24	22	29	25	27
DK, NA	*	1	1	1	2	1	1	1	1	2	2	1	2
PURCHASE TIMING:													
Less than 2 years	6	5	7	5	8	7	10	5	7	5	8	5	7
2 years	20	19	23	19	20	19	20	22	21	18	25	21	21
3 years	11	10	9	10	9	9	9	9	8	10	8	11	10
4 years or more	19	18	17	17	17	16	17	18	17	18	15	17	16
Indefinite	*	1	1	2	3	3	1	2	2	3	3	2	1
DK, NA	6	5	4	5	3	4	5	4	6	5	5	4	5

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

EXPLANATORY CHARTS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

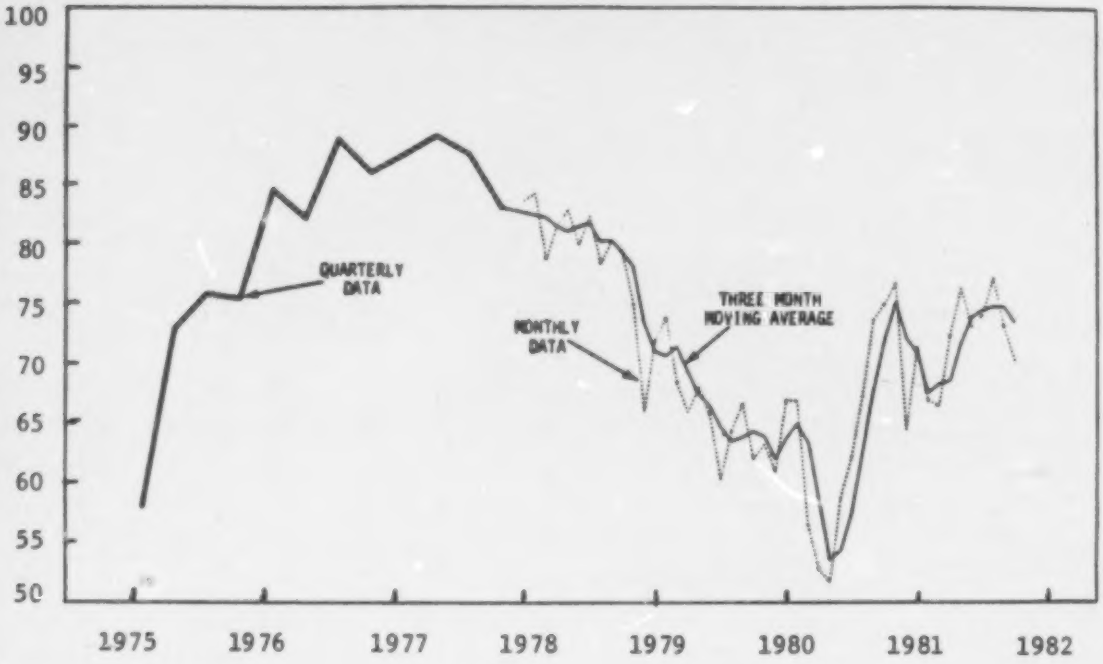
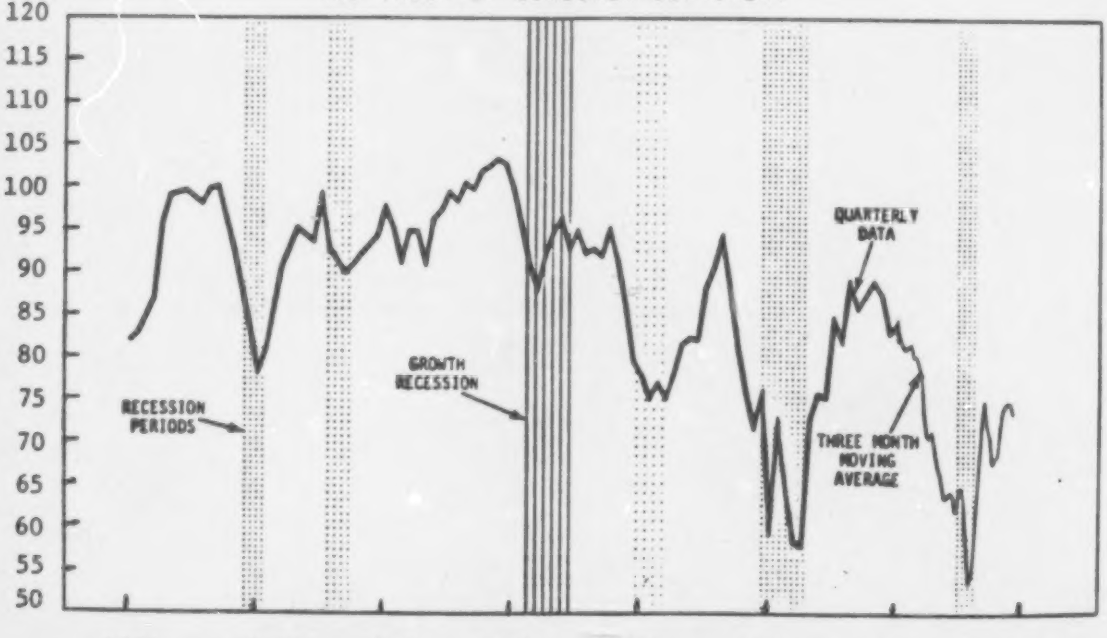


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



DESCRIPTION OF CHART LINES

QUARTERLY DATA:	Data collected by surveys conducted at three-month intervals before 1978.
MONTHLY DATA:	Data collected by surveys conducted each month since January of 1978.
THREE-MONTH MOVING AVERAGE:	Each point plotted represents the average of the three monthly observations ending at the date plotted.

TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES:	November	1948	-	October	1949
	July	1953	-	May	1954
	August	1957	-	April	1958
	April	1960	-	February	1961
	June	1966	-	November	1967*
	December	1969	-	November	1970
	November	1973	-	March	1975
	January	1980	-	July	1980
	July	1981	-	November	1982

Notes:

RECESSION PERIOD:	Reduction in the national output of goods and services, generally lasting at least two quarters.
*GROWTH RECESSION:	Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

Reported Percentages	Number of Interviews		
	700[b]	1,400[c]	2,100[d]
50	4.2	3.2	2.8
30 or 70	3.8	2.9	2.5
20 or 80	3.4	2.6	2.2
10 or 90	2.5	1.9	1.6
5 or 95	1.8	1.4	1.2

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

11/5/84 U7475-2 A

November 2, 1984

OCTOBER 1984 MONTHLY REPORT

Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

THE 21 MONTH SOLUTION

** In the October 1984 survey, the Index of Consumer Sentiment was 96.3, down from 100.9 in September, and above the year earlier figure of 89.1. The October 1984 survey was the 21st consecutive monthly survey in which the Index was higher than the year earlier reading. The small October decline was concentrated among residents of the Northeast and North Central regions, reflecting somewhat less favorable income and employment trends.

** Personal financial evaluations have remained at very favorable levels, despite the small decline in the October survey. The proportion of families that reported an improved financial situation was 44 percent in October, just below the 45 percent recorded one month earlier. Unfavorable financial evaluations, however, rose to 26 percent in October from 20 percent in September, largely due to more frequent reports of income declines.

** Prospects for the national economy have tilted toward slower growth, but nonetheless favorable economic conditions. Importantly, the slowdown was expected to result in no further reductions in the unemployment rate. The expected slowdown in economic growth, however, was not expected to lead to recession in 1985, as 60 percent of all families expected good times financially to persist in the country as a whole during the year ahead.

** Interest rate expectations have improved substantially during the past six months, but still remain on balance unfavorable. Among all families in the October survey, 45 percent expected increases in interest rates, down from 52 percent in September and the peak of 68 percent in April 1984. Confidence in government economic policies was expressed by 36 percent of all families in October, the highest level in more than ten years.

** Attitudes toward buying conditions for vehicles and large household durables each declined by a small amount in the October survey due to less favorable perceptions of market prices, while attitudes toward home buying improved marginally, due to lower mortgage interest rates. In all cases, attitudes toward buying conditions have remained at favorable levels.

* * *

The speed, extent, and length of the current recovery in consumer attitudes and expectations has been distinctive. By the start of 1983, the dominant characteristic was the very rapid growth in favorable attitudes and expectations. By the start of 1984, the focus shifted to the extent of the recovery, as optimism reached record levels. As we near the end of 1984, the prolonged length of time that sentiment has remained at very favorable levels has become its most distinctive aspect. The maintenance of consumer sentiment at very favorable levels points toward continued strength in sales through 1984 and into 1985. Unlike the period of growth in consumer sales in the mid-1970s, when low real interest rates tilted spending in favor of credit purchases, the current high real rates will favor non-credit purchases.

Personal Finances Remain Strong

Despite the small decline recorded in the October survey, consumers' evaluations of their current financial situation have been more favorable thus far in 1984 than at any other time during the prior ten years. Among all families, 44 percent reported being better off financially than a year earlier in the October 1984 survey, just below the 45 percent recorded one month earlier. Unfavorable financial evaluations rose to 26 percent in October, up from 20 percent one month earlier. The major reason for the one-month increase in unfavorable evaluations has been more frequent reports of declines in family income, rising to 18 percent in October from 12 percent in September. The recent small increase in the proportion of families reporting financial reversals was concentrated among residents of the North Central and Northeast regions.

Financial prospects for the year ahead have remained largely unchanged at very favorable levels throughout the past year. Among all families, 38 percent expected their financial situation to improve in the October 1984 survey, between the 39 percent recorded one month earlier and the 37 percent recorded one year earlier. Just 11 percent of all families in the October survey expected financial reversals during the year ahead, between the 8 percent recorded in September, and the 13 percent recorded in October 1983.

The major factor underlying the improvement in personal finances has been the sustained decline in inflation. The October 1984 survey recorded the most favorable real income progress reported by American families during the past ten years. Among all families, more than half (56 percent) reported that their income had increased during the past year by as much as or by more than the rate of inflation. Moreover, two-thirds of all families in the October

1984 survey expected their incomes to keep pace with or exceed the rate of inflation during the year ahead.

Slower Pace of Growth Expected

In each of the last 12 monthly surveys, approximately two-thirds of all families reported that economic conditions in the country as a whole had improved during the prior year. In the October 1984 survey, 65 percent were aware of improved business conditions, compared with 23 percent that thought the economy had worsened during the past year. Although these proportions are nearly identical to the year earlier figures (66 versus 23 percent), they do represent a relatively small decline from the all-time peak recorded at the start of 1984 (75 versus 17 percent).

Along with the widespread recognition of the rapid and sustained gains made during the past year, prospects for the year ahead have tilted toward slower economic growth, but nonetheless favorable economic conditions. Continued improvement in the national economy was expected by 32 percent of all families in October, twice the 16 percent that expected worsening economic conditions during the year ahead. While this distribution has remained largely unchanged during the past six months, it is significantly less favorable than in early 1983, when 55 percent expected improvement compared with just 6 percent that expected economic declines.

Good times financially in the economy as a whole were expected by 60 percent of all families in October, down from 66 percent one month earlier, and below the cyclical peak of 73 percent recorded in January 1984. Despite this recent decline, short term business expectations were still more favorable in October than at their mid 1970s cyclical peak. Long term business expectations also declined by a small amount in the October survey, but remained at very favorable levels. Among all families, 43 percent expected good times financially in the economy as a whole during the next five years, down from 47 percent in September--which was the highest proportion recorded in more than a decade.

No Further Reductions in Unemployment Expected

When first recorded one year ago, the substantial improvement in assessments of the national economy were accompanied by significant declines in expected inflation, unemployment, as well as interest rates. Since that time, these three important economic factors have no longer improved in unison. The proportion of families that expected further reductions in the unemployment rate has fallen steadily since early 1983. Interest rates expectations, after posting sharp increases in late 1983 and early 1984, have posted consecutive declines during the past six months. Price expectations, following substantial declines in prior years, have remained largely unchanged during the past twelve months. The annual rate of inflation expected in the October 1984 survey was 5.3%, just above the 5.2% recorded one year earlier.

Declines in the unemployment rate were expected by 23 percent of all families in the October 1984 survey, compared with 24 percent that expected increases during the year ahead. This represents the first month in nearly two years that unemployment expectations were on balance unfavorable. Rather than renewed increases, the majority of all families (54 percent) in the October survey expected the aggregate unemployment rate to remain largely unchanged at its current level during the year ahead.

Interest rate expectations have improved significantly during the past six months. In the October survey, 45 percent of all families expected increases in interest rates during the year ahead, down from 52 percent in

September, and the recent high of 68 percent in April 1984. Declines in interest rates were more frequently expected in October, but the improvement was rather small, rising to 18 percent from a low of 8 percent in April. Overall, interest rate expectations have remained at unfavorable levels, as this recent improvement has only partially offset the sharp reversals recorded in late 1983 and early 1984.

Confidence in government economic policies to reduce inflation and unemployment remained at high levels in the October 1984 survey. Among all families, 36 percent favorably rated government economic policies, just above the 35 percent recorded one month earlier, and the highest proportion recorded under the Reagan Administration. Since the start of 1982, in contrast to the prior five years when inflation dominated consumers' concerns, more families have identified unemployment rather than inflation as the more serious problem facing the nation. In the October 1984 survey, 56 percent of all families identified unemployment as the more serious economic hardship, compared with 35 percent that thought inflation represented the more serious problem.

Favorable Buying Attitudes Maintained Amid Shifting Perceptions of Prices

Attitudes toward buying conditions for large household durables remained at very favorable levels in the October 1984 survey. Among all families, 70 percent thought that current buying conditions for durables were favorable, just below the 72 percent recorded one month earlier, and the all-time peak of 73 percent recorded at the start of 1984. The major reason given by consumers for these evaluations has been favorable perceptions of market prices. In the October survey, 29 percent of all families cited the appeal of low prices and discounts, compared with just 12 percent that complained about high prices. Unfortunately, the 29 percent of all families that referred to availability of lower prices in the October survey represents a decline from 34 percent one month earlier, and the all-time peak of 45 percent in January 1984. Thus far, however, the shift has been limited to the decline in the availability of discounted prices, since complaints about increased prices for durables have remained relatively infrequent during the past year--12 percent in the October survey.

Favorable attitudes toward buying conditions for vehicles were held by 54 percent of all families in the October survey, down from 59 percent one month and one year earlier. Unfavorable car buying attitudes were held by 34 percent of all families in October, just below the 35 percent recorded in September, and unchanged from the October 1983 reading. The recent small decline has been due to less favorable perceptions of market prices for new vehicles, with complaints about high prices being more frequent than references to rebates or discounted prices in the October survey (23 versus 18 percent).

Attitudes toward current home buying conditions improved somewhat in the October survey, due to lower mortgage interest rates. The proportion of families that held favorable home buying attitudes was 52 percent in October, just above the month earlier reading of 48 percent, but significantly below the 66 percent cyclical peak recorded six months earlier. The small recent improvement was due to fewer complaints about high mortgage interest rates, falling to 33 percent in the October survey, from 37 percent one month earlier. References to the availability of lower mortgage rates rose marginally to 24 percent in October from 22 percent in September. Reflecting the improved interest rate outlook, reference to buying-in-advance of rising mortgage rates fell to 11 percent from a peak of 23 percent six months earlier (see Table A).

* * *

The October 1984 survey was conducted between October 1 and October 30, 1984, and included 706 completed interviews.

TABLE A

REFERENCES TO INTEREST RATES IN SUPPORT OF FAVORABLE BUYING CONDITIONS

	Durables		Houses		Vehicles	
Survey Date	Low Rates	BiA Rates	Low Rates	BiA Rates	Low Rates	BiA Rates
8001	1	2	NA	NA	1	1
8002	1	2	2	7	1	2
8003	1	4	NA	NA	1	2
8004	*	3	*	3	3	1
8005	*	2	3	3	*	1
8006	2	1	14	2	2	1
8007	4	1	17	6	2	1
8008	3	2	19	9	3	1
8009	1	2	11	11	2	2
8010	1	3	6	10	1	2
8011	*	2	2	8	1	2
8012	1	2	1	5	2	2
8101	*	2	1	3	4	1
8102	1	2	2	5	2	1
8103	1	*	1	4	1	1
8104	*	2	3	6	2	1
8105	1	2	4	3	3	1
8106	*	1	1	4	2	1
8107	1	1	2	4	2	1
8108	2	1	3	5	4	1
8109	*	1	3	3	4	2
8110	*	1	1	3	4	*
8111	1	1	2	2	5	*
8112	1	1	4	2	4	1
8201	2	1	5	3	4	2
8202	1	1	4	3	3	*
8203	*	1	3	2	3	*
8204	1	*	4	2	7	*
8205	2	1	3	3	10	1
8206	1	1	5	2	6	1
8207	1	1	2	2	4	1
8208	1	1	3	4	5	1
8209	3	1	16	4	9	1
8210	4	1	19	4	10	1
8211	5	*	25	5	19	1
8212	6	2	30	5	26	1

TABLE A (continued)

	Durables		Houses		Vehicles	
Survey Date	Low Rates	BiA Rates	Low Rates	BiA Rates	Low Rates	BiA Rates
8301	7	*	33	4	27	2
8302	7	1	35	5	34	1
8303	7	1	38	6	33	1
8304	12	2	46	8	38	2
8305	12	1	49	6	38	2
8306	13	3	49	12	38	2
8307	14	2	40	9	34	3
8308	11	1	33	11	30	3
8309	9	3	35	12	25	3
8310	6	1	29	9	17	2
8311	6	2	29	11	20	2
8312	6	1	30	11	16	3
8401	8	1	33	8	20	3
8402	9	2	38	12	19	3
8403	8	2	36	13	19	3
8404	8	6	29	23	15	7
8405	7	4	24	20	14	4
8406	7	4	21	17	12	6
8407	5	5	21	16	16	8
8408	6	2	22	13	12	5
8409	6	2	22	12	11	4
8410	7	4	24	11	10	4

NOTE: The proportions given above provide greater detail than is reported in the monthly tables (see Tables 27, 29 and 31). The monthly tables report the total proportion of respondents that made favorable references to credit conditions. The figures above divide this total into those respondents that referred to the current availability of low interest rates, and those that referred to buying-in-advance of rising interest rates.

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SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

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TABLES AND CHARTS

NOVEMBER 1984

The November 1984 survey is the 194th in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

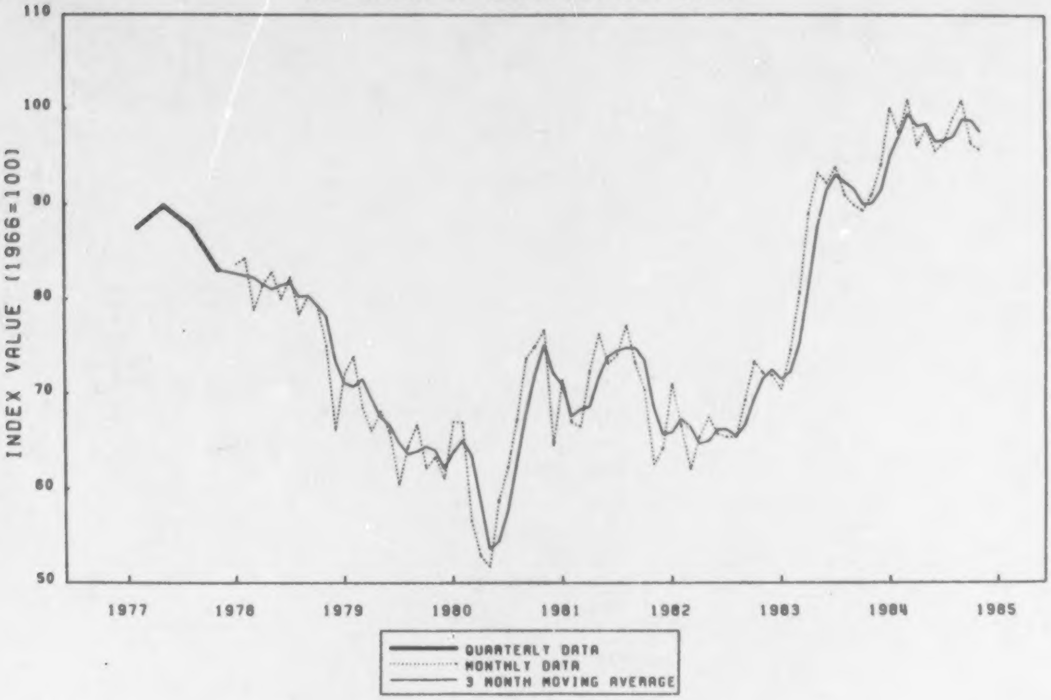

CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

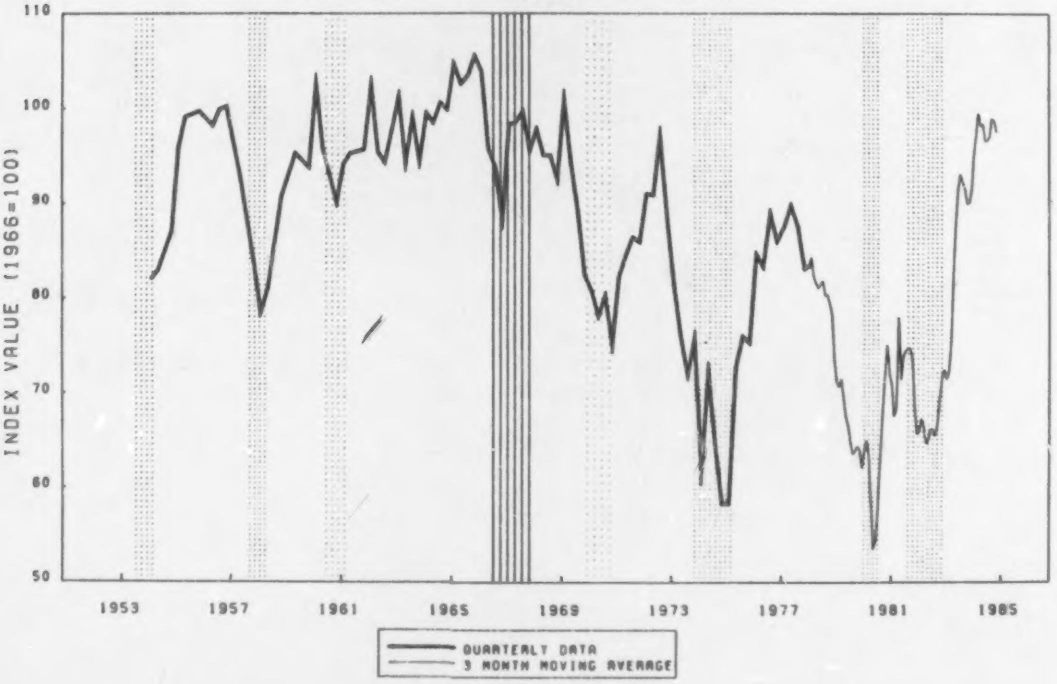

TABLE 1

THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY		All families	Families with incomes over $20,000	Families with incomes over $25,000
November	1981	62.5	67.2	66.3
December	1981	64.3	71.0	71.1
January	1982	71.0	77.9	77.8
February	1982	66.5	71.5	72.8
March	1982	62.0	67.0	67.9
April	1982	65.5	71.5	73.2
May	1982	67.5	72.7	74.8
June	1982	65.7	71.4	72.9
July	1982	65.4	68.9	69.2
August	1982	65.4	71.0	73.6
September	1982	69.3	78.4	81.1
October	1982	73.4	77.5	80.9
November	1982	72.1	79.3	81.1
December	1982	71.9	78.0	80.5
January	1983	70.4	78.2	78.8
February	1983	74.6	79.9	81.3
March	1983	80.8	88.4	88.9
April	1983	89.1	97.1	99.0
May	1983	93.3	99.6	101.0
June	1983	92.2	101.2	102.5
July	1983	93.9	104.4	106.5
August	1983	90.9	101.2	103.5
September	1983	89.9	99.0	102.3
October	1983	89.3	99.5	101.9
November	1983	91.1	97.2	98.8
December	1983	94.2	101.7	104.5
January	1984	100.1	112.0	114.2
February	1984	97.4	109.6	111.2
March	1984	101.0	110.9	114.2
April	1984	96.1	103.9	105.5
May	1984	98.1	105.6	107.1
June	1984	95.5	104.4	104.5
July	1984	96.6	103.2	102.8
August	1984	99.1	106.7	109.2
September	1984	100.9	109.7	111.7
October	1984	96.3	106.2	107.7
November	1984	95.7	108.6	111.0

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

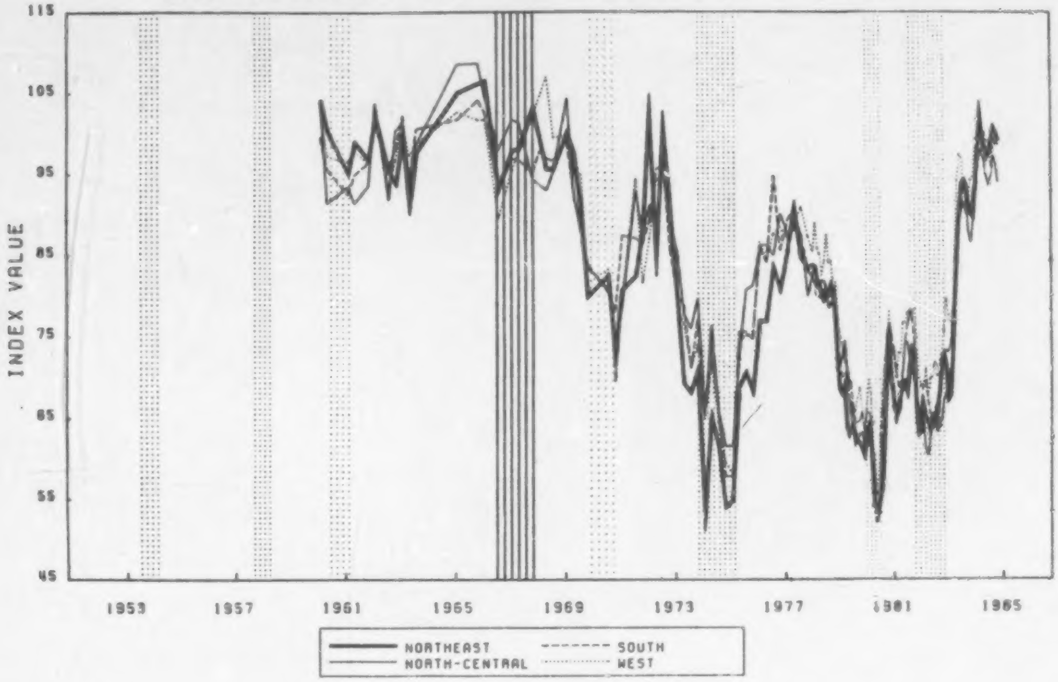

CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

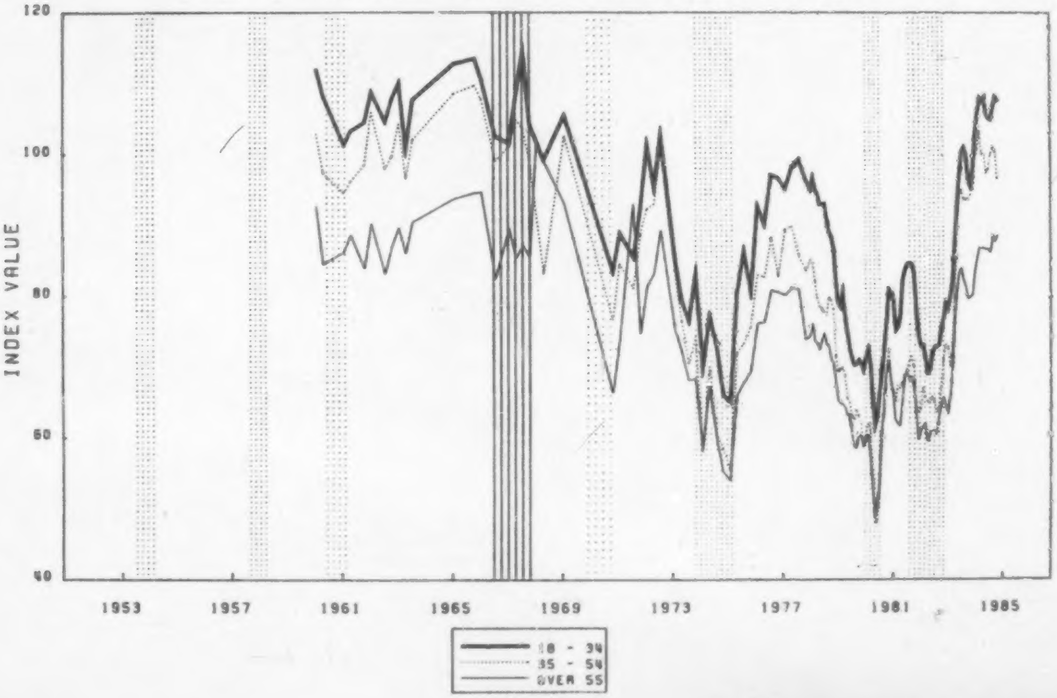

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TABLE 2

INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

DATE OF SURVEY		CENSUS REGION				AGE OF RESPONDENT		
		North East	North Central	South	West	18-34	35-54	55+
November	1981	55.8	64.7	61.1	68.8	71.3	59.6	57.7
December	1981	65.0	65.3	64.4	61.6	70.9	65.3	56.7
January	1982	68.8	67.3	72.0	76.2	76.6	67.4	68.5
February	1982	65.9	60.6	71.8	68.8	71.5	68.3	59.0
March	1982	60.5	55.8	64.7	68.2	65.5	61.4	58.8
April	1982	67.2	64.6	65.0	65.8	70.6	65.5	60.4
May	1982	62.4	66.5	66.6	75.7	72.7	67.6	62.0
June	1982	65.4	65.0	64.9	68.6	72.4	64.4	60.3
July	1982	65.1	64.0	63.5	71.1	73.4	63.3	60.6
August	1982	68.1	60.6	64.0	70.6	72.6	62.9	60.2
September	1982	70.3	67.2	71.1	68.8	73.0	66.7	68.0
October	1982	77.8	66.2	74.1	79.3	81.2	72.1	65.5
November	1982	70.6	67.9	73.2	79.3	76.6	75.7	63.8
December	1982	66.1	70.0	72.5	80.4	78.9	71.7	64.2
January	1983	64.9	70.5	73.6	72.8	78.8	70.0	62.0
February	1983	72.1	72.3	75.8	77.2	82.1	68.3	72.4
March	1983	82.9	73.7	82.7	84.4	84.9	81.5	75.5
April	1983	89.1	88.0	87.2	95.6	95.8	90.5	80.5
May	1983	88.3	90.7	93.3	102.7	97.2	97.1	84.9
June	1983	95.1	88.7	92.5	94.1	97.8	94.4	83.9
July	1983	98.3	93.8	89.9	94.3	106.0	93.6	83.0
August	1983	89.6	92.0	91.3	89.6	99.2	92.9	80.0
September	1983	92.6	87.8	89.3	90.8	94.8	94.5	80.9
October	1983	89.9	83.7	91.5	93.5	94.2	93.8	77.8
November	1983	87.7	88.3	91.5	98.5	97.2	94.6	80.7
December	1983	91.4	96.2	95.2	92.2	102.3	97.5	81.8
January	1984	100.7	96.8	97.5	107.5	107.9	106.0	87.4
February	1984	102.3	98.4	93.5	97.1	106.2	98.9	86.5
March	1984	104.8	98.5	102.1	97.5	109.9	105.2	86.6
April	1984	92.5	95.3	98.2	99.3	106.5	95.9	87.0
May	1984	98.8	96.3	96.5	103.9	107.5	98.8	86.6
June	1984	100.1	92.1	95.0	93.7	103.0	97.1	85.9
July	1984	94.3	92.5	100.5	99.3	104.9	98.2	87.1
August	1984	103.1	100.2	97.5	95.4	106.8	105.3	85.2
September	1984	105.0	99.3	99.7	99.9	108.5	99.9	93.3
October	1984	92.5	89.4	100.9	101.7	108.9	95.5	84.2
November	1984	100.3	93.3	95.6	94.1	105.5	94.0	88.1

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

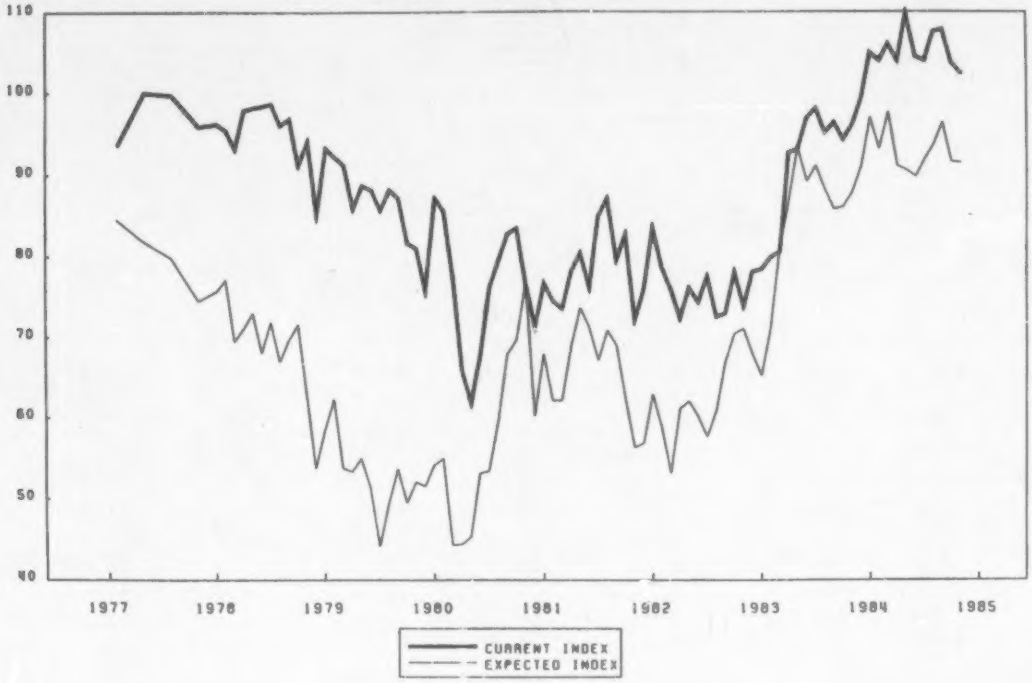


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS

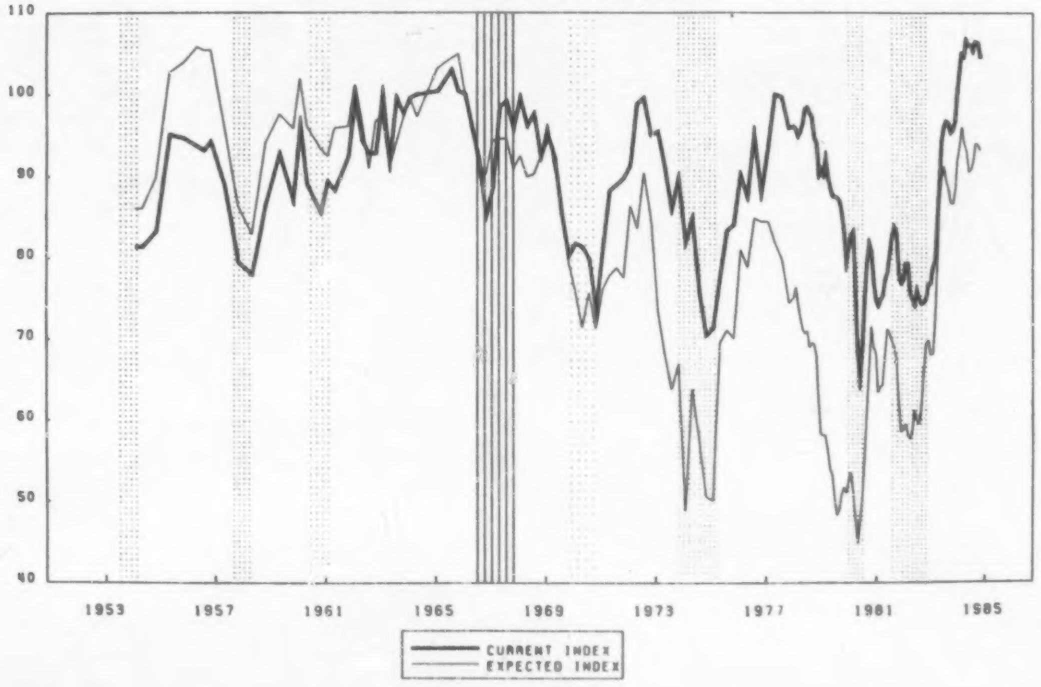


TABLE 3

COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

INDEX COMPONENTS +

	Personal finances		Business conditions				
	Current	Expected	12 months	5 years	Buying conds.	Current Index	Expected Index
DATE OF SURVEY	(1)	(2)	(3)	(4)	(5)	(1,5)	(2,3,4)
November 1981	85	110	54	56	99	72.1	56.3
December 1981	94	110	54	61	101	75.9	56.8
January 1982	92	115	66	70	124	83.5	62.9
February 1982	91	112	56	65	111	78.6	58.7
March 1982	89	106	44	60	106	75.9	53.1
April 1982	87	111	62	70	99	72.3	61.1
May 1982	94	113	62	72	102	76.1	62.0
June 1982	92	116	58	65	99	74.3	60.1
July 1982	90	113	53	63	110	77.5	57.6
August 1982	89	110	64	69	97	72.5	60.9
September 1982	89	116	76	74	98	72.9	66.9
October 1982	95	119	79	83	106	78.1	70.4
November 1982	85	121	77	86	105	73.8	71.0
December 1982	90	117	74	80	111	78.1	67.9
January 1983	91	115	76	69	111	78.4	65.2
February 1983	89	117	87	81	117	79.9	71.2
March 1983	92	126	113	85	115	80.5	80.9
April 1983	108	131	120	99	131	92.7	86.9
May 1983	101	137	139	100	139	93.1	93.4
June 1983	110	128	134	97	141	96.9	89.2
July 1983	111	126	136	104	143	98.1	91.1
August 1983	106	124	130	100	140	95.1	88.2
September 1983	109	125	125	95	140	96.4	85.8
October 1983	104	124	124	98	140	94.3	86.1
November 1983	111	127	129	98	138	96.1	87.9
December 1983	123	125	140	102	134	99.3	91.0
January 1984	117	129	154	108	155	104.9	97.0
February 1984	119	130	139	106	151	103.9	93.2
March 1984	122	135	146	113	153	106.0	97.7
April 1984	117	124	136	106	153	103.9	91.1
May 1984	121	129	131	105	164	109.8	90.6
June 1984	126	124	131	106	145	104.4	89.8
July 1984	117	124	133	113	152	103.9	91.9
August 1984	125	129	137	111	153	107.5	93.7
September 1984	125	131	142	116	154	107.8	96.4
October 1984	118	127	134	107	150	103.6	91.6
November 1984	121	129	132	107	144	102.4	91.5

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

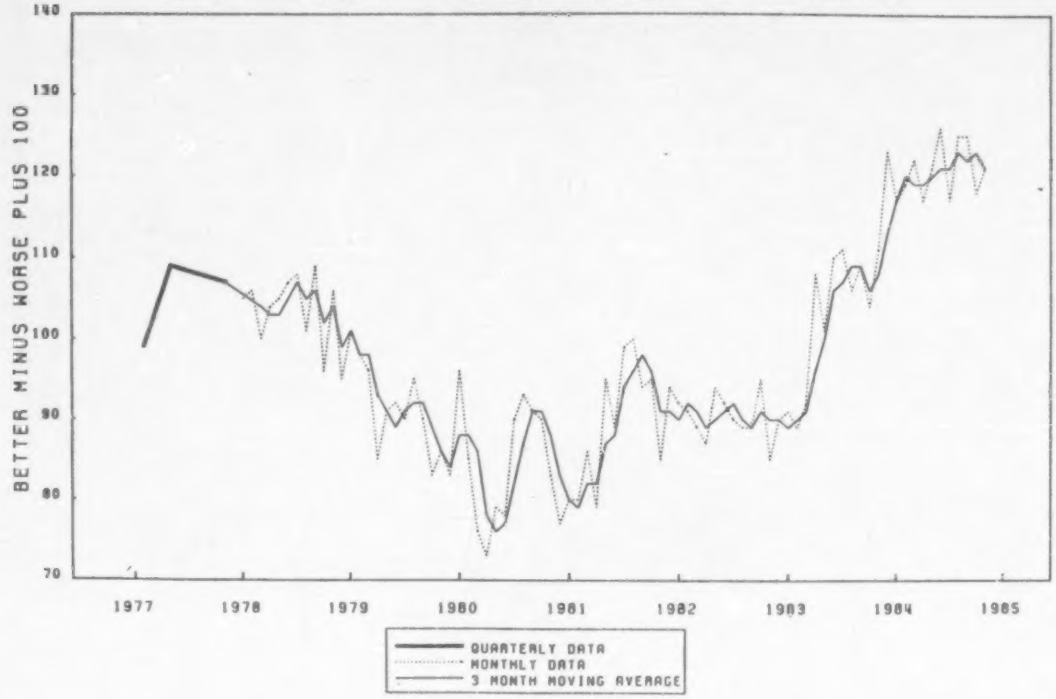


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

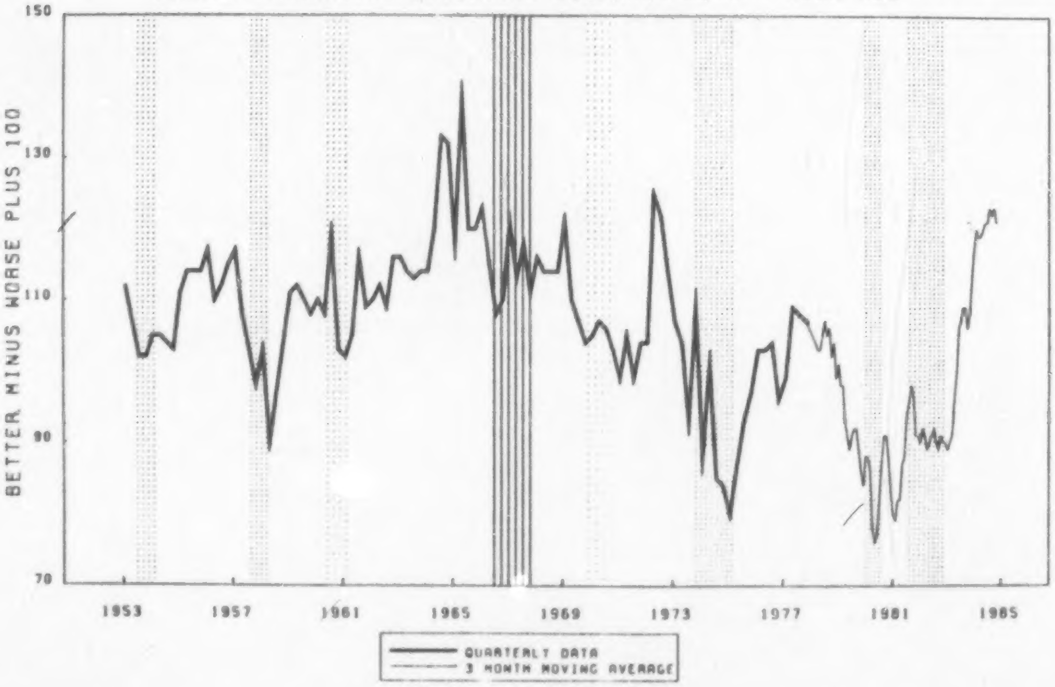


TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept. 1984	Oct. 1984	Nov. 1984
BETTER OFF	38%	45%	42%	44%	48%	43%	44%	47%	42%	48%	45%	44%	46%
SAME	35	33	32	31	26	30	33	31	33	29	35	30	29
WORSE OFF	27	22	25	25	26	26	23	21	25	23	20	26	25
DK,NA	*	*	1	*	*	1	*	1	*	*	*	*	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

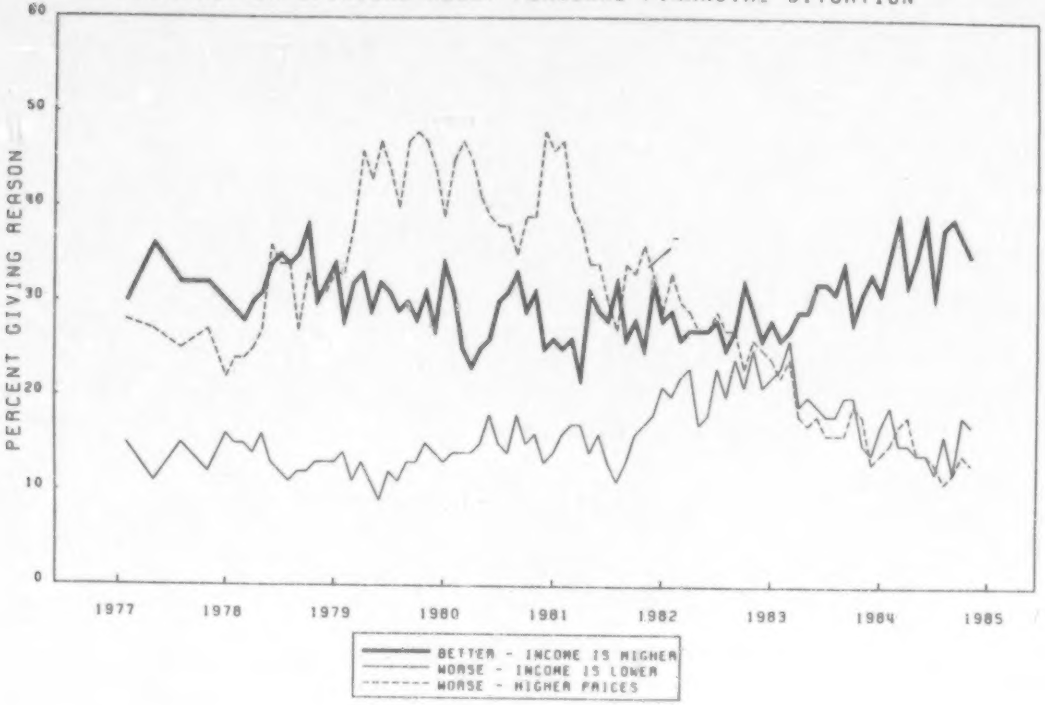


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

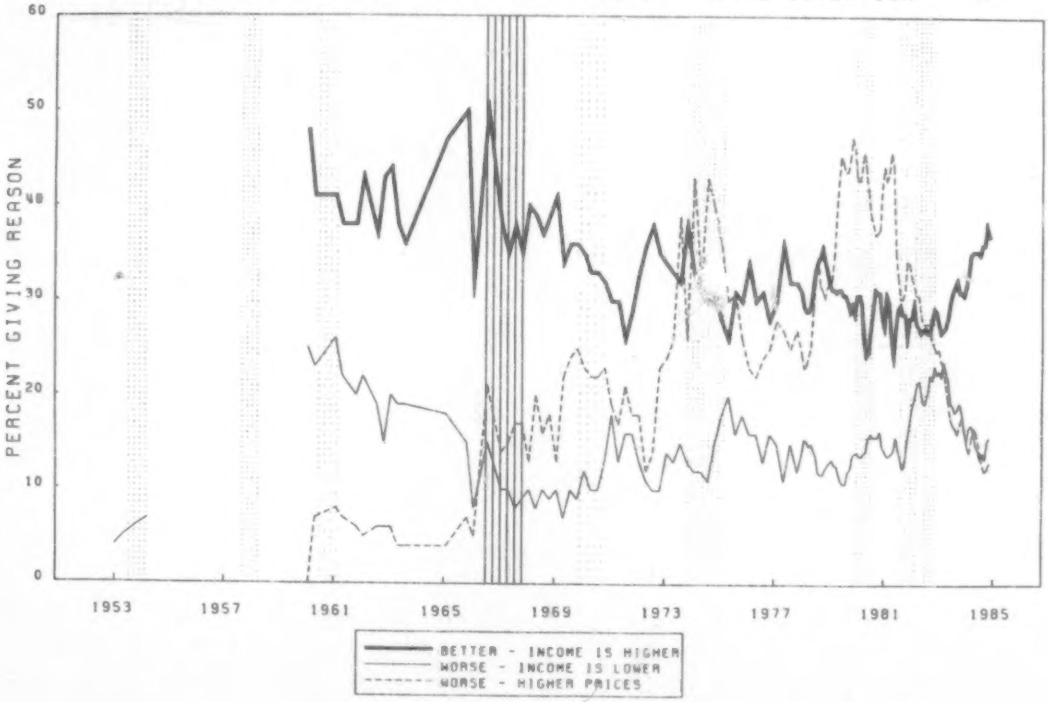


TABLE 5

SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
BETTER OFF THAN YEAR AGO:													
Income is higher	31%	33%	31%	35%	39%	32%	35%	39%	31%	38%	39%	37%	35%
WORSE OFF THAN YEAR AGO:													
Income is lower	15	14	17	19	15	15	14	14	12	16	12	18	17
Higher prices	18	13	14	15	17	18	14	14	13	11	12	14	13

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

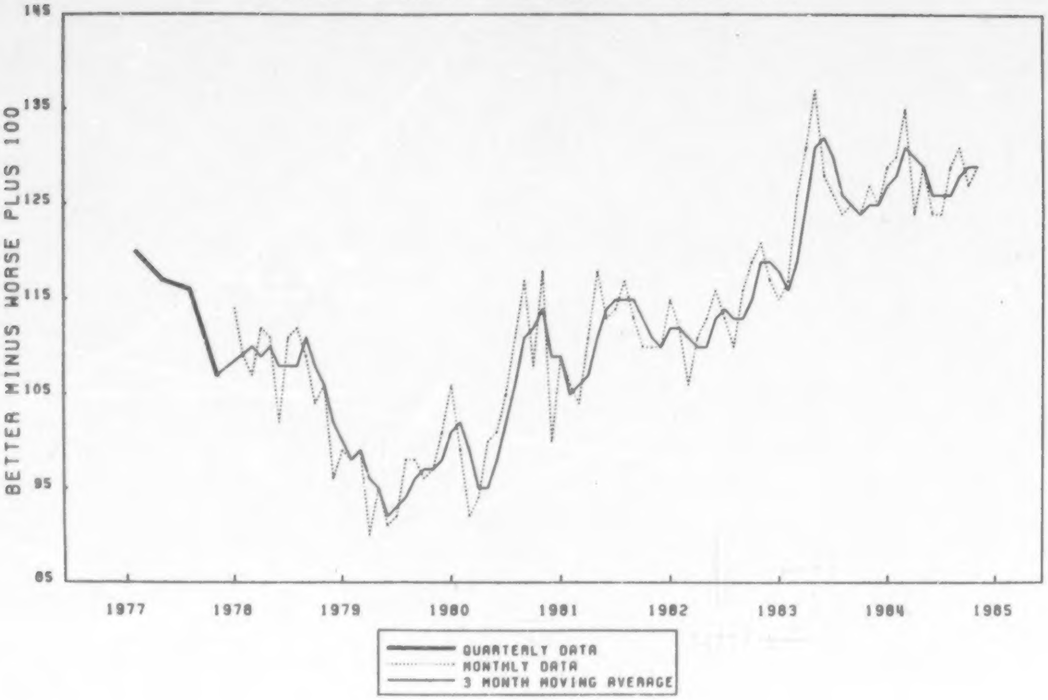


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION

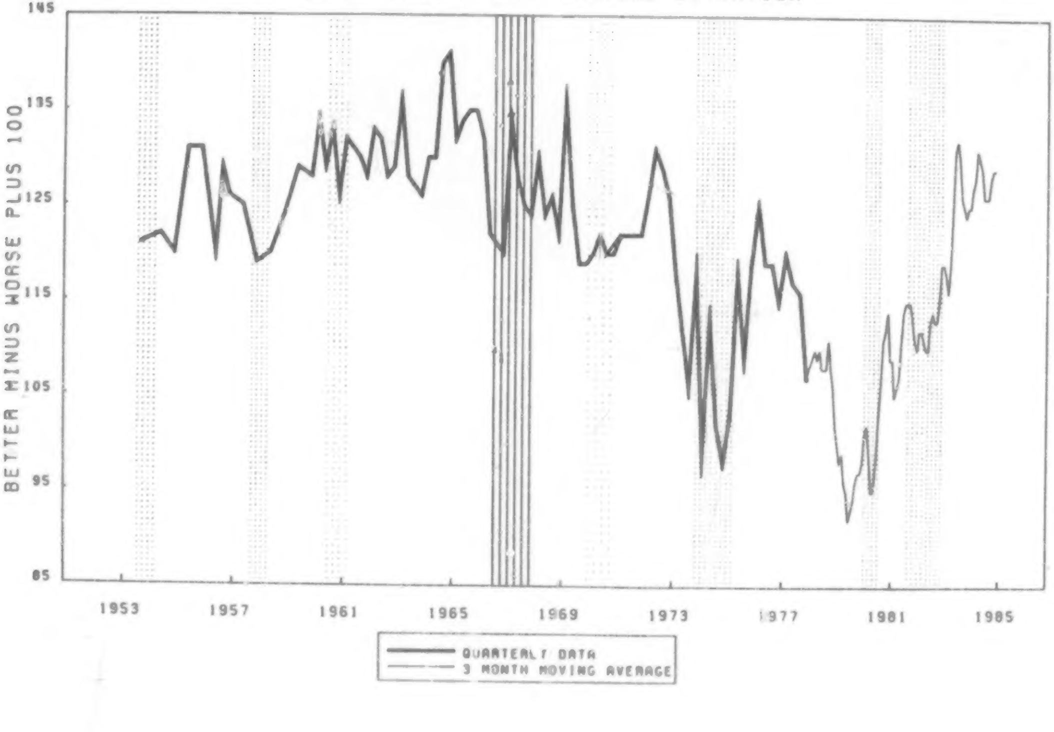


TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
BETTER OFF	38%	35%	38%	41%	44%	37%	40%	35%	34%	38%	39%	38%	39%
SAME	47	51	50	44	44	48	47	52	51	49	49	47	48
WORSE OFF	11	10	9	11	9	13	11	11	10	9	8	11	10
DK,NA	4	4	3	4	3	2	2	2	5	4	4	4	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

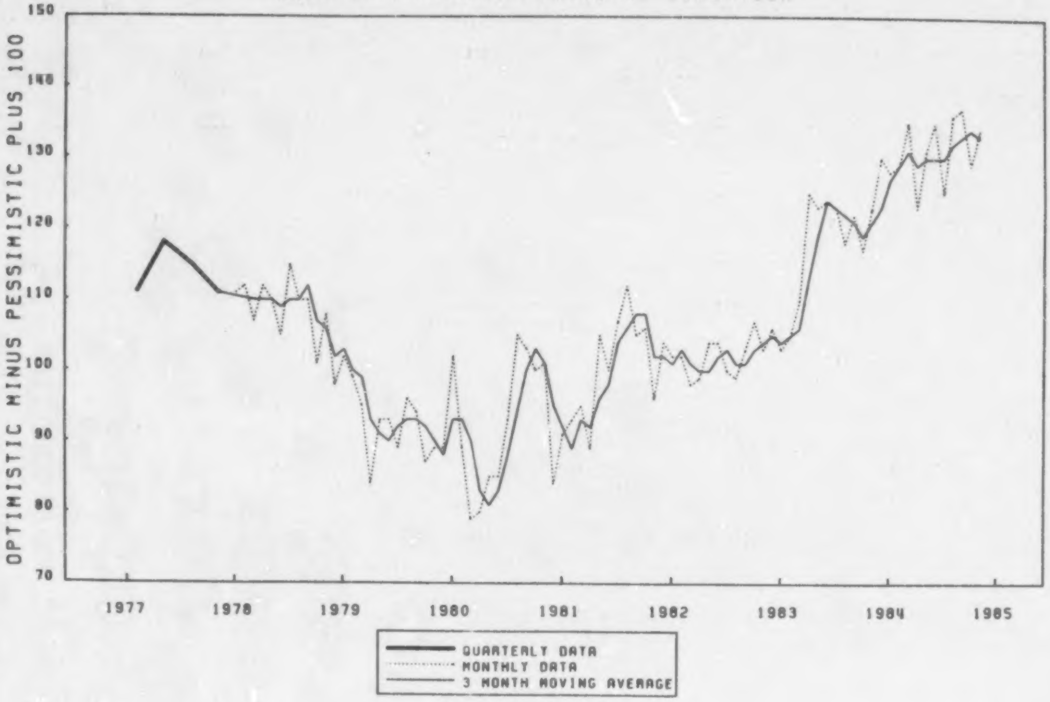


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION

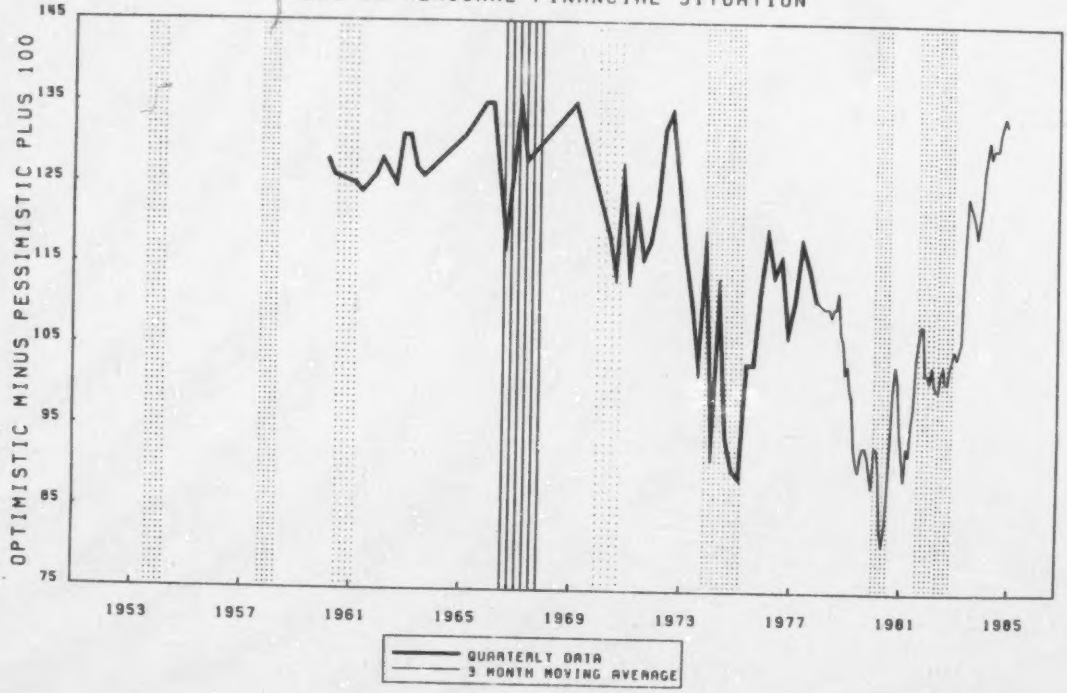


TABLE 7

TREND IN PERSONAL FINANCIAL SITUATION

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
PERSONAL FINANCIAL PROGRESS:													
Continuous increase (a)	20%	22%	22%	24%	27%	23%	23%	20%	22%	24%	25%	21%	21%
Intermittent increase (b)	23	26	26	25	27	22	24	32	24	30	28	28	32
Remain unchanged (c)	21	22	18	17	14	19	21	19	21	17	20	17	15
Intermittent decline (d)	15	13	16	16	14	16	12	12	16	13	12	15	14
Continuous decline (e)	5	5	4	4	5	6	4	5	5	5	4	5	5
Mixed change (f)	11	8	10	10	10	11	14	10	7	8	7	10	10
DK,NA	5	4	4	4	3	3	2	2	5	3	4	4	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME

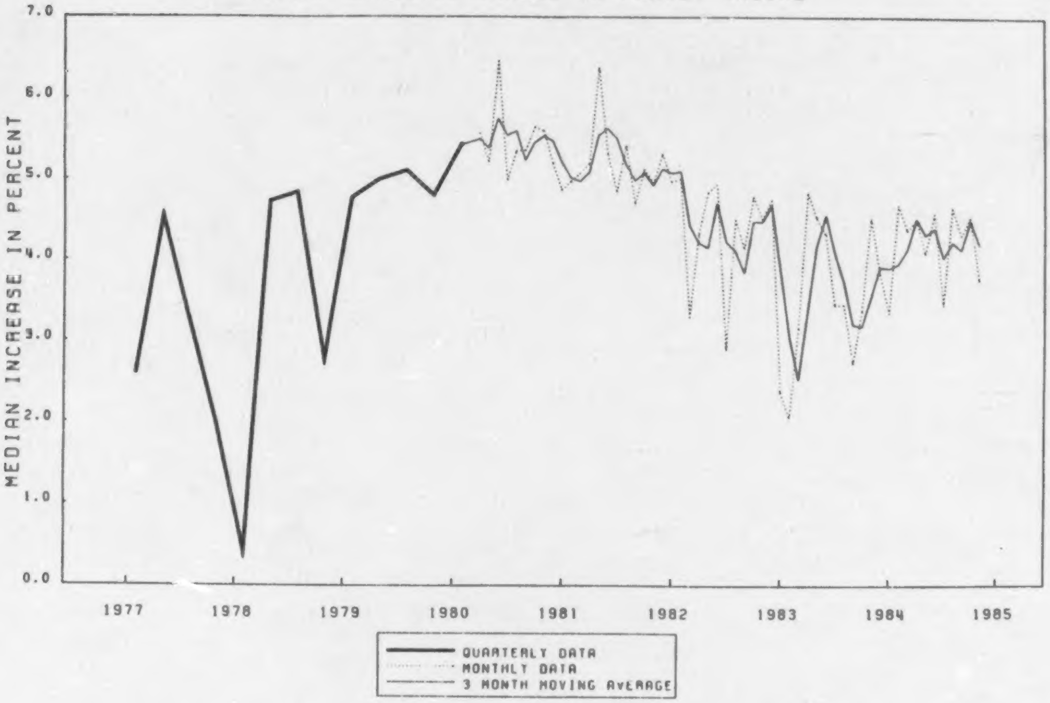


TABLE 8

EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
EXPECT INCREASE:													
1-4%	12%	12%	15%	13%	14%	11%	11%	12%	17%	13%	15%	10%	13%
5%	9	10	11	13	9	11	9	11	12	11	10	10	9
6-9%	8	10	8	10	8	8	7	12	8	11	10	8	7
10-24%	19	16	16	19	18	18	21	17	17	18	18	20	19
25% or more	8	7	7	6	11	8	8	7	6	7	7	8	8
DK how much up	7	5	4	4	6	5	6	3	4	3	4	5	6
EXPECT SAME	23	26	27	22	26	22	26	24	23	24	23	25	23
EXPECT DOWN	11	12	10	11	7	15	11	11	11	11	11	12	13
DK,NA	3	2	2	2	1	2	1	3	2	2	2	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES
INCOME OR PRICES UP MORE DURING THE LAST YEAR

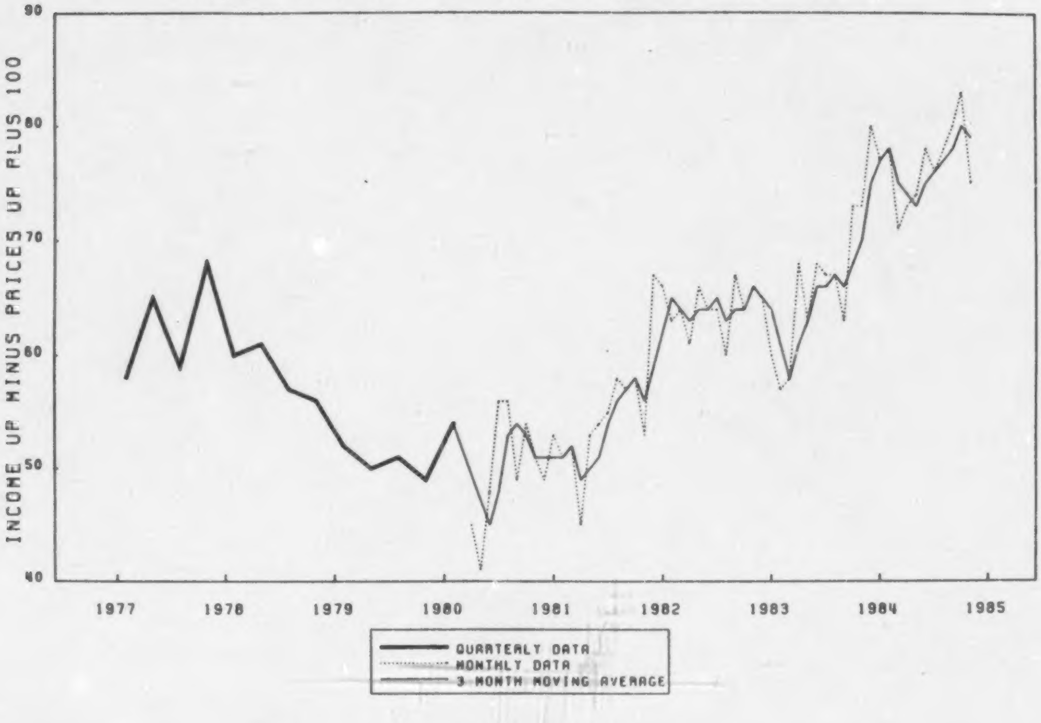


TABLE 9

PAST CHANGE IN REAL FAMILY INCOME

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
INCOME UP MORE	22%	23%	23%	22%	20%	20%	20%	21%	21%	21%	22%	25%	21%
INCOME UP SAME	28	32	29	32	30	32	33	34	33	34	36	31	31
PRICES UP MORE	49	43	46	44	49	47	46	43	45	43	42	42	46
DK,NA	1	2	2	2	1	1	1	2	1	2	*	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

* : Less than half of one percent.

CHART 10 - RECENT CHANGES
INCOME OR PRICES UP MORE NEXT YEAR

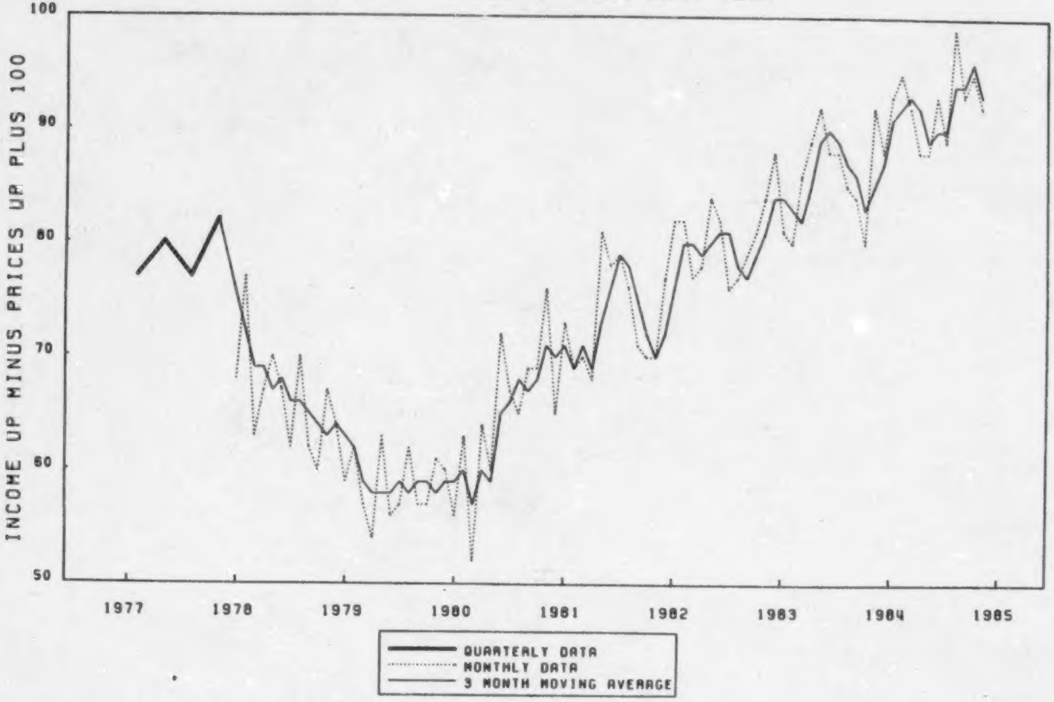


TABLE 10

EXPECTED CHANGE IN REAL FAMILY INCOME

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
INCOME UP MORE	23%	20%	23%	24%	23%	21%	22%	22%	22%	25%	23%	25%	23%
INCOME UP SAME	42	45	45	45	44	43	42	47	41	45	44	43	44
PRICES UP MORE	31	32	30	29	31	33	34	29	33	26	30	30	31
DK,NA	4	3	2	2	2	3	2	2	4	4	3	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON

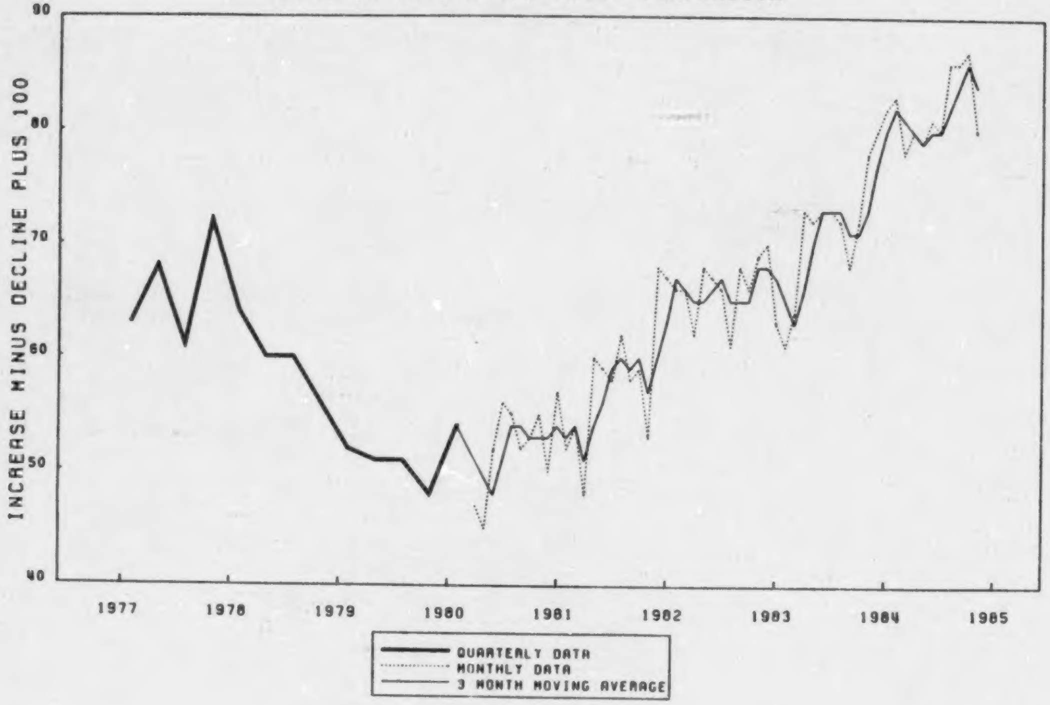


TABLE 11

TREND IN FAMILY INCOME AND PRICES COMPARISONS

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
REAL INCOME PROGRESS:													
Continuous increase (a)	13%	12%	12%	13%	12%	10%	9%	11%	10%	12%	12%	14%	12%
Intermittent increase (b)	12	14	14	13	12	14	17	13	14	15	16	14	14
Remain unchanged (c)	17	19	19	20	20	21	17	22	20	21	22	20	19
Intermittent decline (d)	23	23	21	22	20	18	22	23	20	22	20	18	22
Continuous decline (e)	24	23	23	21	26	26	25	20	24	19	22	23	24
Mixed change (f)	7	6	8	6	8	7	7	8	8	6	5	7	6
DK,NA	4	3	3	5	2	4	3	3	4	5	3	4	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART 12 - RECENT CHANGES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

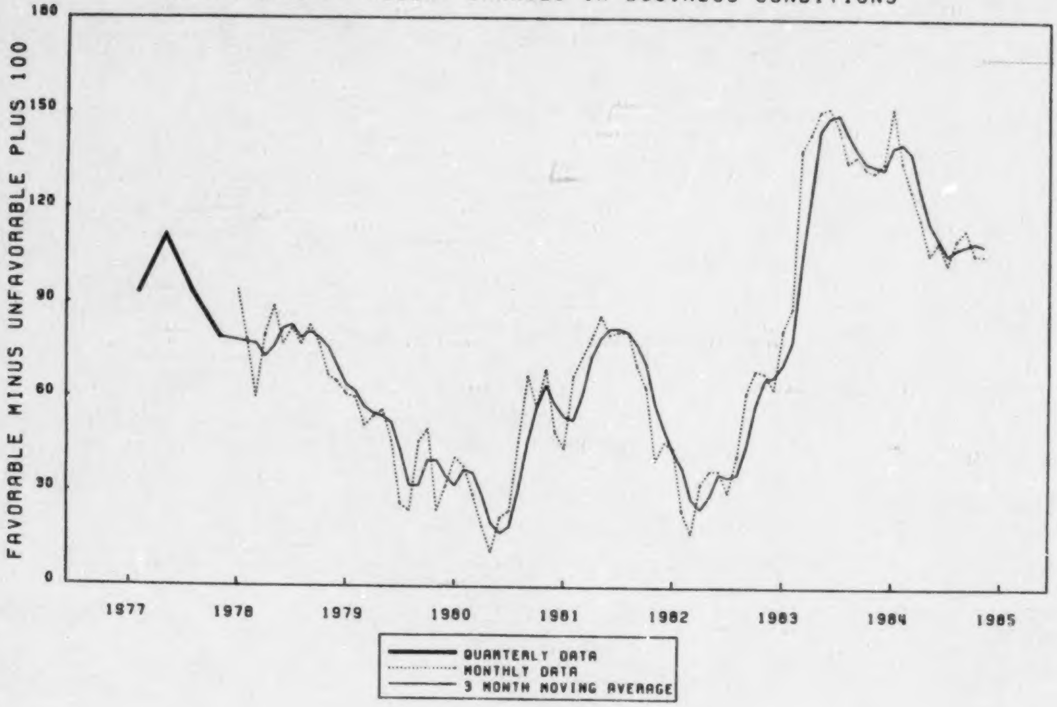


CHART 12 - HISTORICAL SERIES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

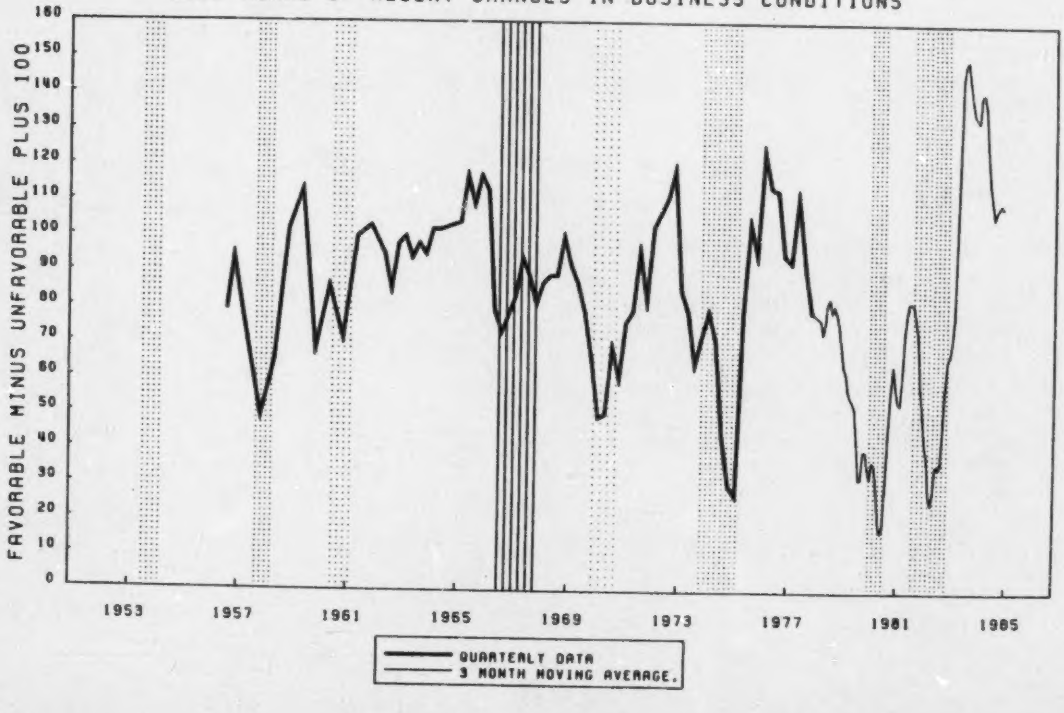


TABLE 12

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
FAVORABLE NEWS	62%	60%	78%	66%	58%	49%	47%	50%	42%	51%	52%	44%	41%
UNFAVORABLE NEWS	30	25	26	31	32	32	41	40	39	40	38	38	35
NO MENTIONS	39	42	33	38	43	46	41	41	46	39	41	44	49

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

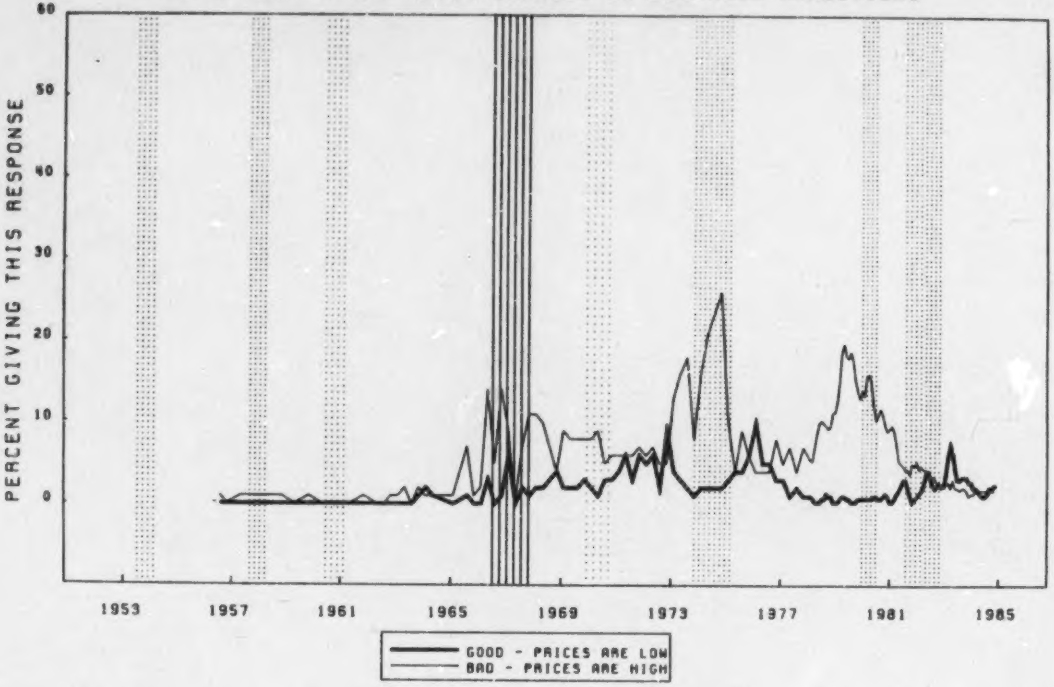


CHART 13B - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

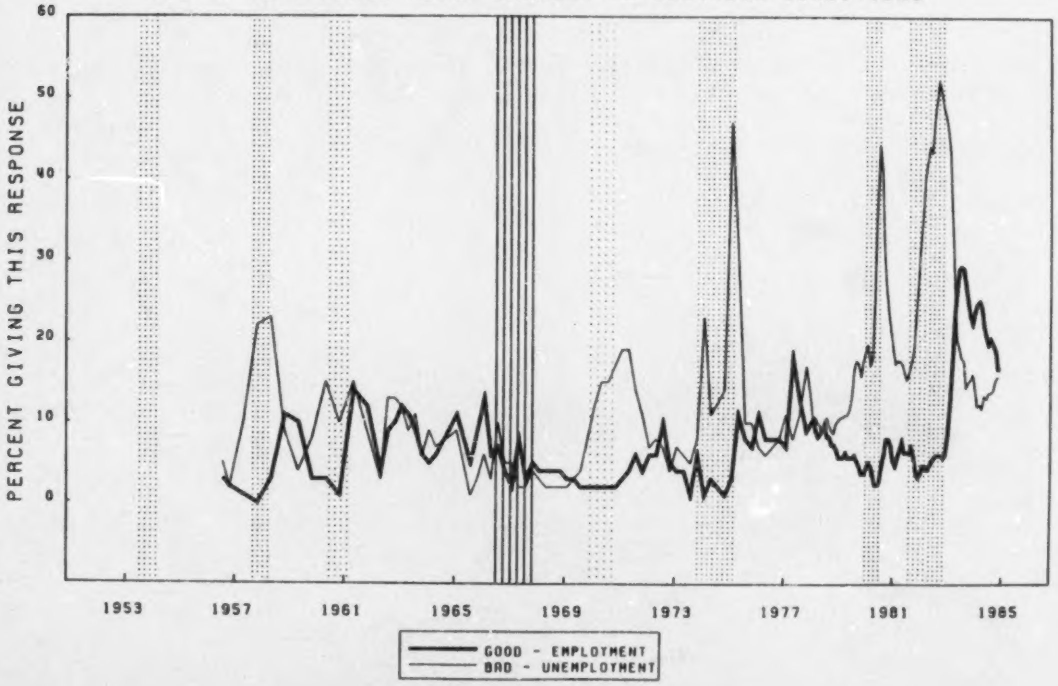


TABLE 13

SELECTED ITEMS OF
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
FAVORABLE NEWS:													
Government; elections	2%	1%	3%	2%	1%	1%	1%	2%	2%	2%	3%	1%	2%
Employment	22	22	27	25	25	23	18	21	20	20	19	18	13
Consumer demand high	13	12	18	15	10	8	10	8	4	7	7	5	4
Prices are low	3	2	3	1	2	1	1	1	1	2	3	1	3
Credit is easy	5	4	5	4	5	4	2	3	2	4	3	4	8
UNFAVORABLE NEWS:													
Government; elections	2	3	2	5	4	2	3	2	4	4	4	3	3
Unemployment	17	13	13	10	14	11	15	13	13	15	14	17	16
Consumer demand low	2	*	2	1	1	*	2	1	2	2	2	1	2
Prices are high	1	1	2	1	2	1	2	2	1	2	2	1	2
Credit is tight	1	2	1	2	3	9	10	12	13	9	6	5	3
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

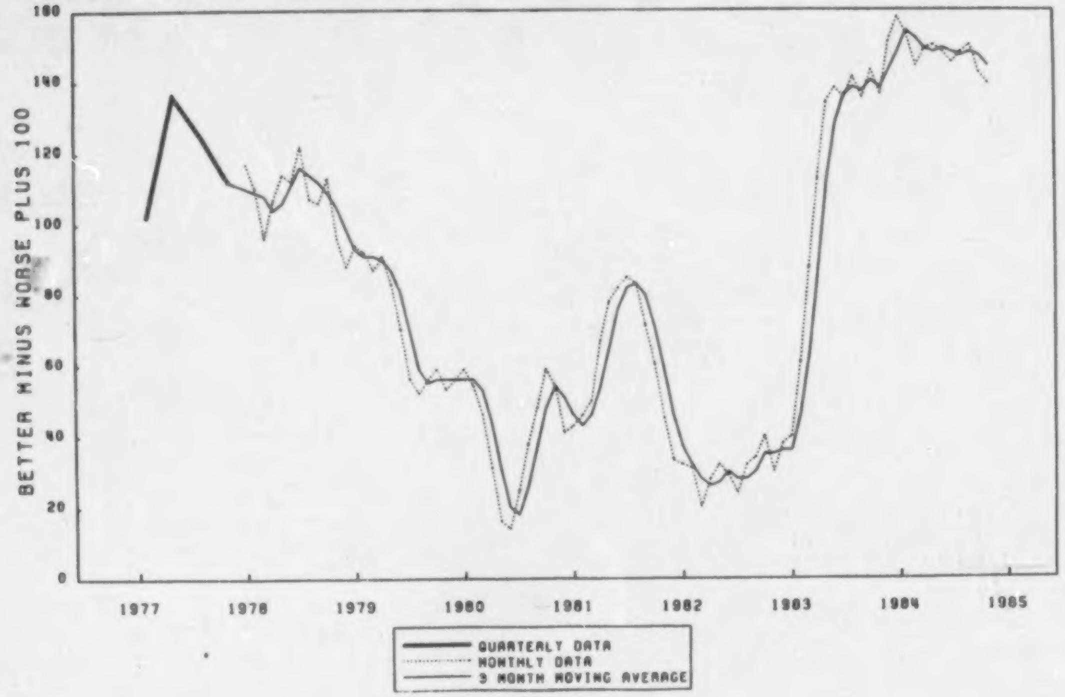


CHART 14 - HISTORICAL SERIES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

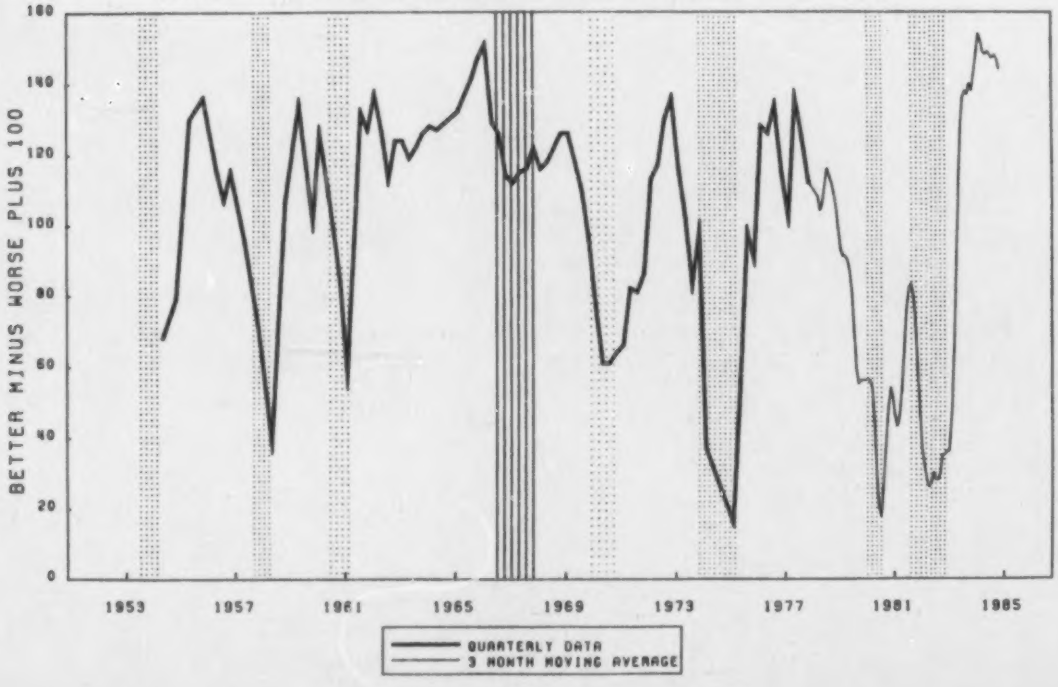


TABLE 14

CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
BETTER NOW	63%	71%	75%	72%	67%	68%	70%	67%	67%	68%	68%	65%	63%
SAME	8	8	6	8	9	11	9	12	9	11	12	10	12
WORSE NOW	27	20	17	19	23	19	20	19	22	20	18	23	24
DK,NA	2	1	2	1	1	2	1	2	2	1	2	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

CHART 15 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

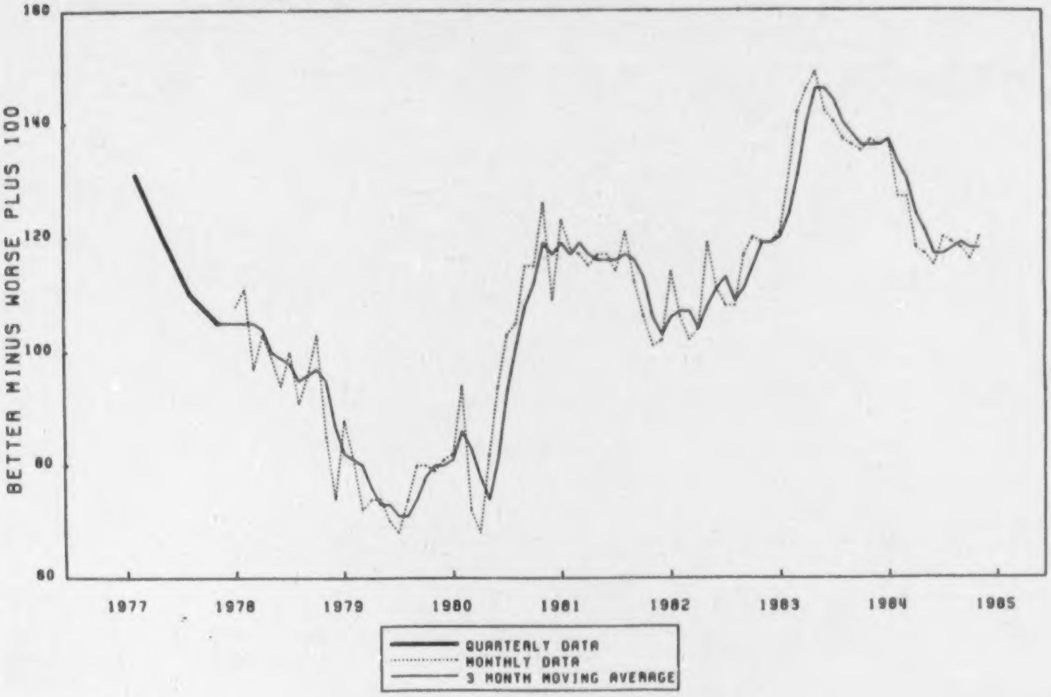


CHART 15 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

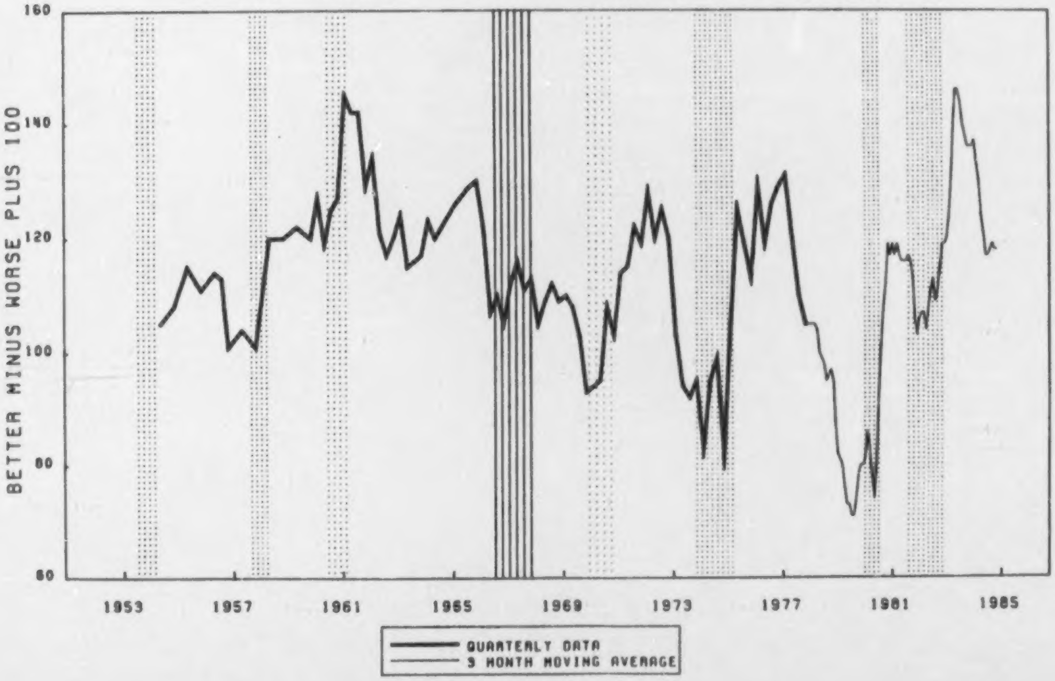


TABLE 15

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
BETTER	46%	44%	46%	38%	38%	32%	31%	30%	32%	33%	33%	32%	35%
SAME	43	45	43	48	49	52	53	53	51	49	48	49	48
WORSE	9	8	9	11	11	14	14	15	12	14	15	16	15
DK,NA	2	3	2	3	2	2	2	2	5	4	4	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

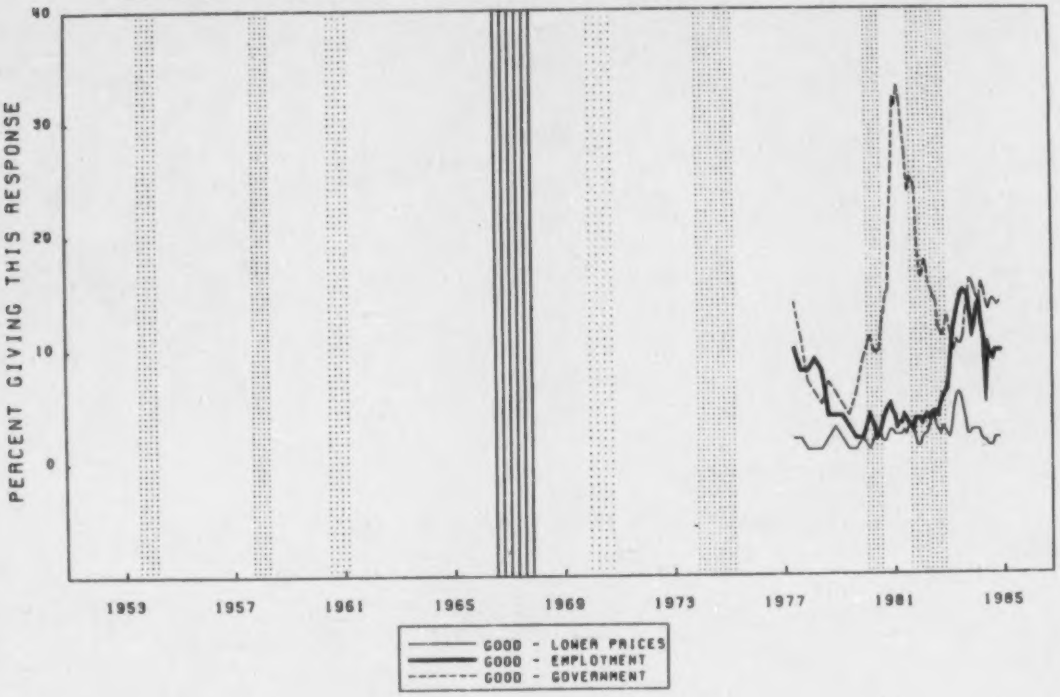


CHART 16B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

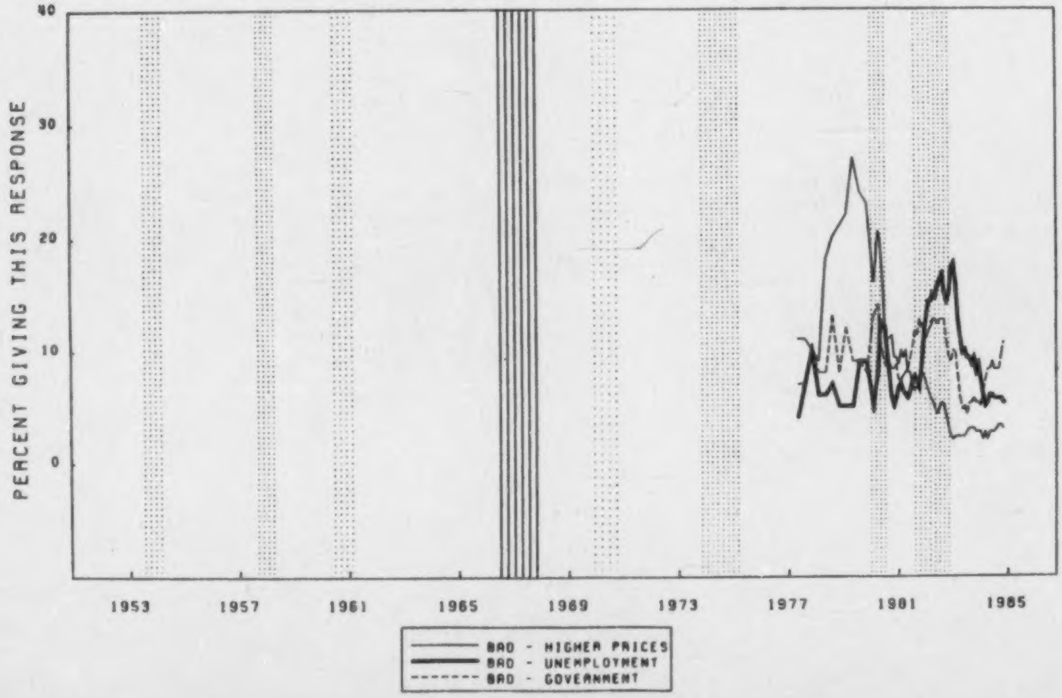


TABLE 16

REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
FAVORABLE REASONS:													
Government; elections	15%	13%	15%	15%	17%	13%	12%	15%	15%	13%	14%	14%	14%
Employment	10	16	15	11	10	11	9	10	9	8	12	9	8
Higher consumer demand	8	8	8	5	4	4	5	4	5	5	2	2	5
Lower prices	2	3	3	1	2	1	2	1	1	2	3	1	2
Easier credit	4	4	3	4	2	2	2	2	4	4	4	3	5
UNFAVORABLE REASONS:													
Government; elections	5	6	4	9	9	7	9	11	5	9	11	9	12
Unemployment	8	8	6	4	5	7	6	5	6	6	5	6	5
Lower consumer demand	2	2	2	1	1	2	2	2	2	3	2	2	3
Higher prices	3	2	3	1	3	2	3	2	3	4	3	3	3
Tighter credit	2	1	2	4	2	7	7	8	7	5	4	4	3
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

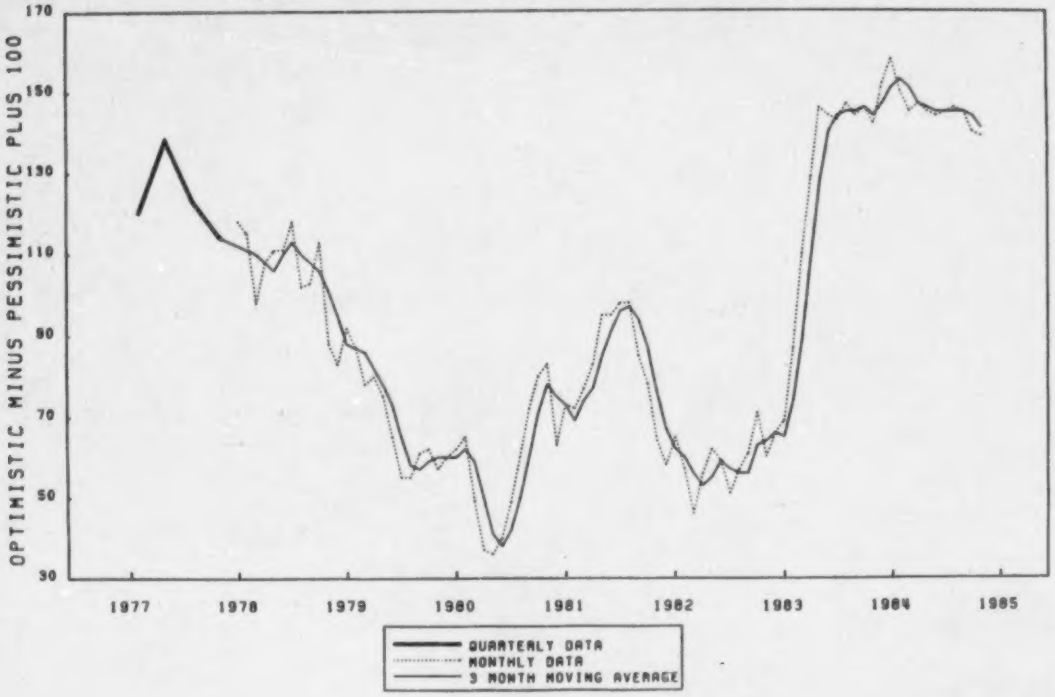


CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

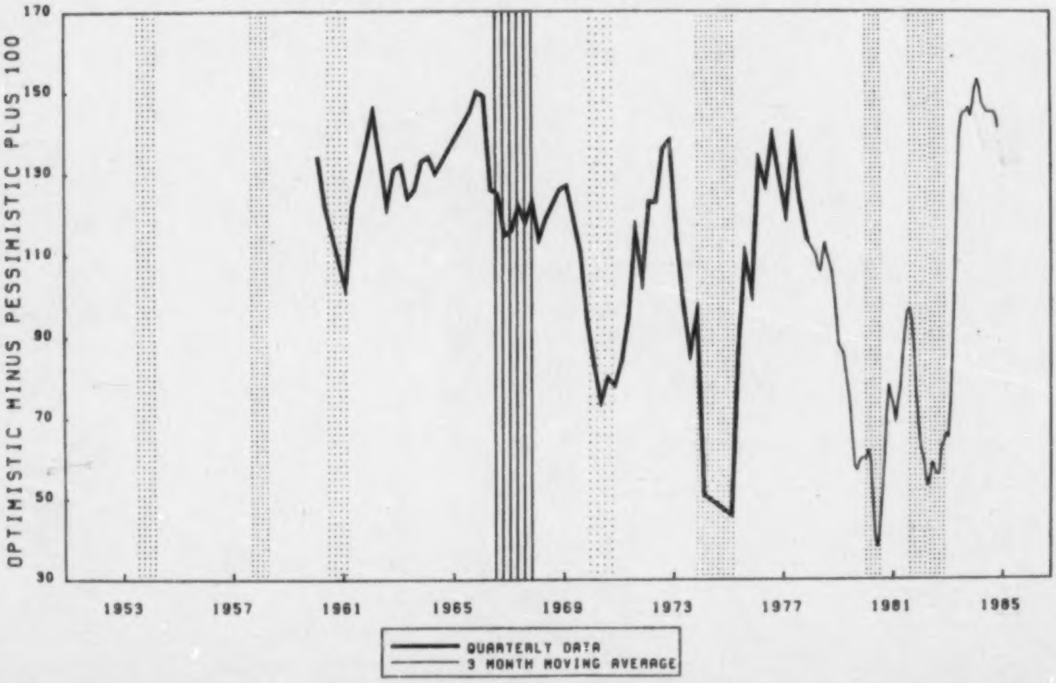


TABLE 17

TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
TREND:													
Continuous increase (a)	36%	38%	41%	32%	31%	25%	27%	25%	25%	25%	27%	24%	28%
Intermittent increase (b)	27	30	31	34	32	39	36	37	38	36	35	36	32
Remain unchanged (c)	4	6	4	5	6	7	7	7	4	6	6	5	6
Intermittent decline (d)	17	12	10	12	14	10	13	11	12	10	11	12	14
Continuous decline (e)	4	4	4	4	4	7	5	7	6	5	6	8	7
Mixed change (f)	9	7	7	10	10	9	10	9	9	12	10	10	9
DK,NA	3	3	3	3	3	3	2	4	6	6	5	5	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

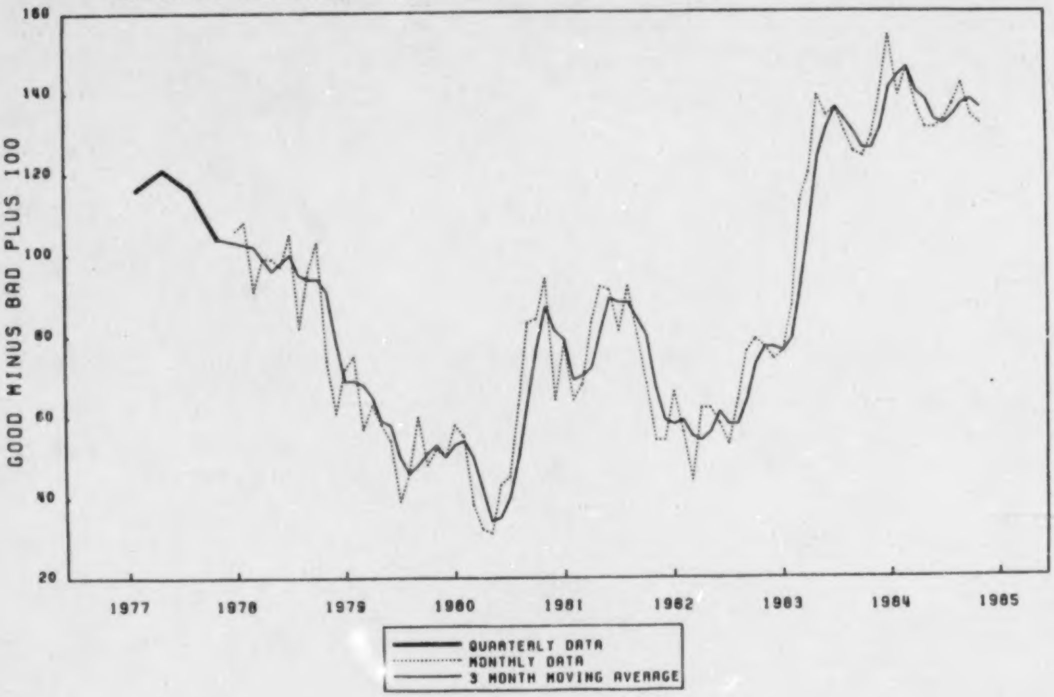


CHART 18 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

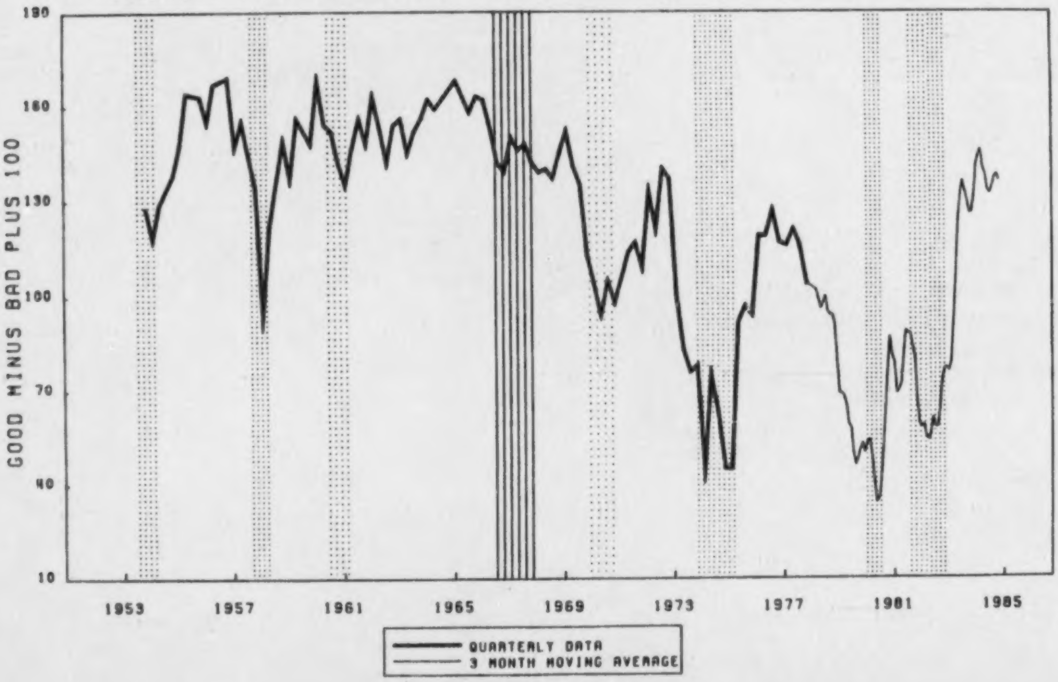


TABLE 18

BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
GOOD TIMES	59%	67%	73%	65%	69%	63%	60%	60%	61%	62%	66%	60%	59%
UNCERTAIN; GOOD & BAD	3	2	2	2	2	3	3	2	2	3	3	4	3
BAD TIMES	30	27	19	26	23	27	29	29	28	25	24	26	27
DON'T KNOW	6	3	5	5	4	5	5	6	6	7	6	6	7
NOT ASCERTAINED	2	1	1	2	2	2	3	3	3	3	1	4	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES

BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

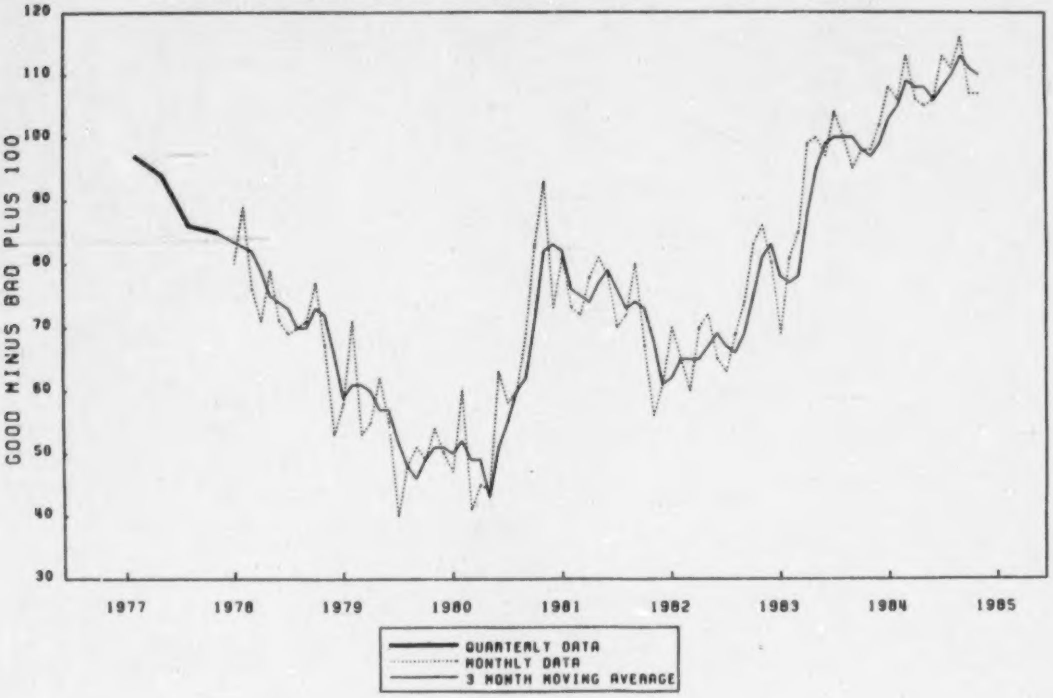


CHART 19 - HISTORICAL SERIES

BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

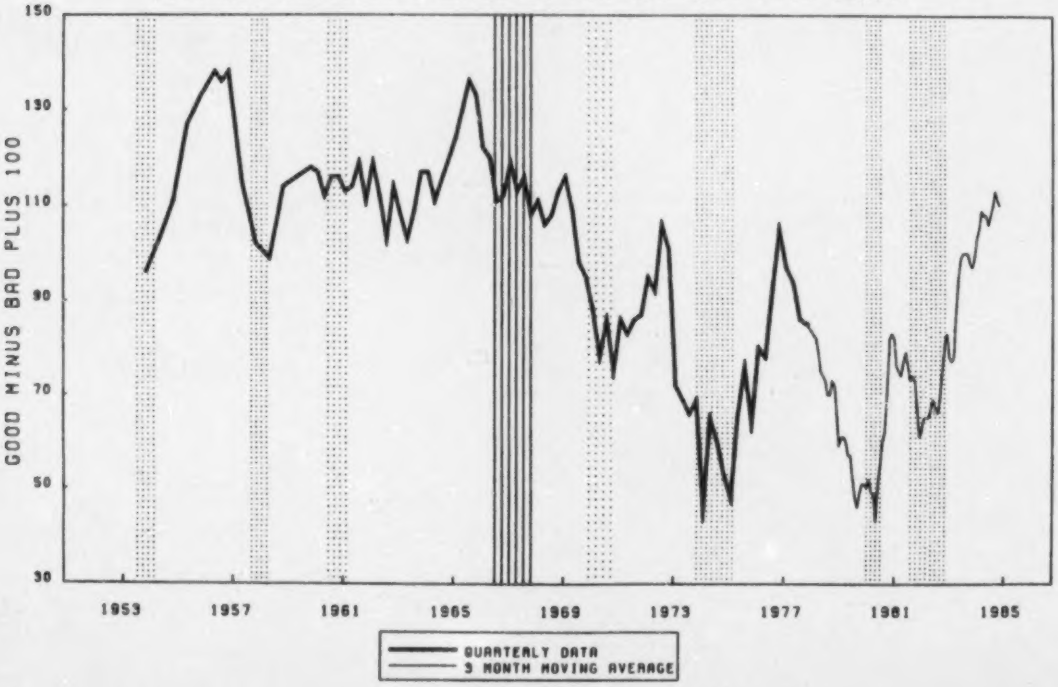


TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
GOOD TIMES	39%	39%	44%	42%	47%	41%	43%	42%	44%	47%	47%	43%	42%
UNCERTAIN; GOOD & BAD	15	21	17	16	15	19	15	17	19	13	17	17	17
BAD TIMES	41	37	36	36	34	35	38	36	31	36	31	36	35
NOT ASCERTAINED	5	3	3	6	4	5	4	5	6	4	5	4	6
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

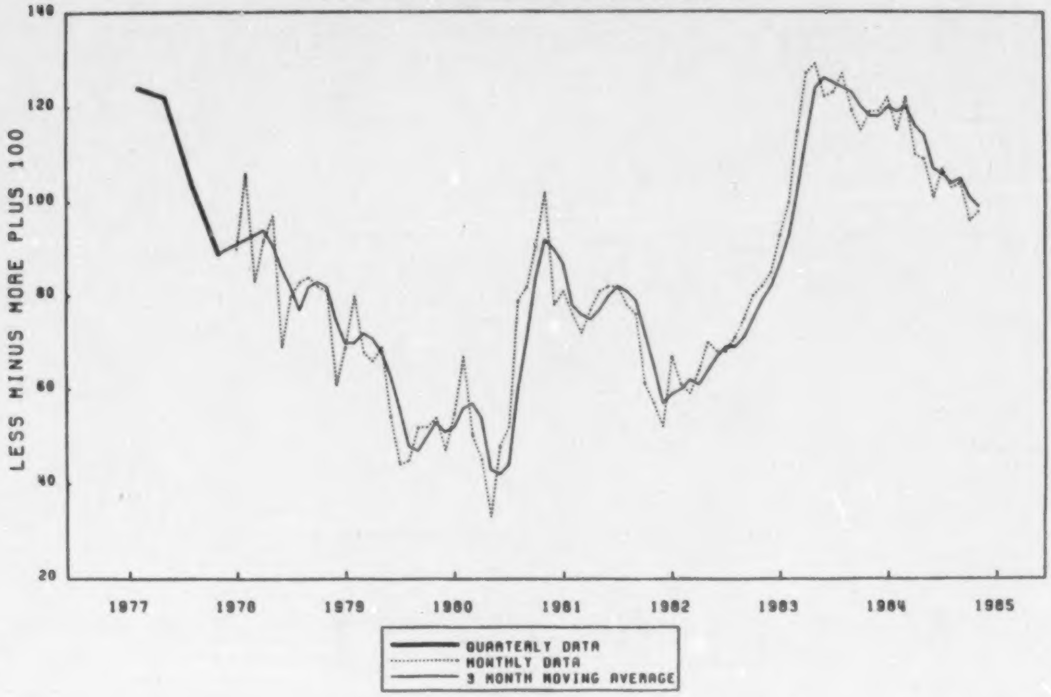


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

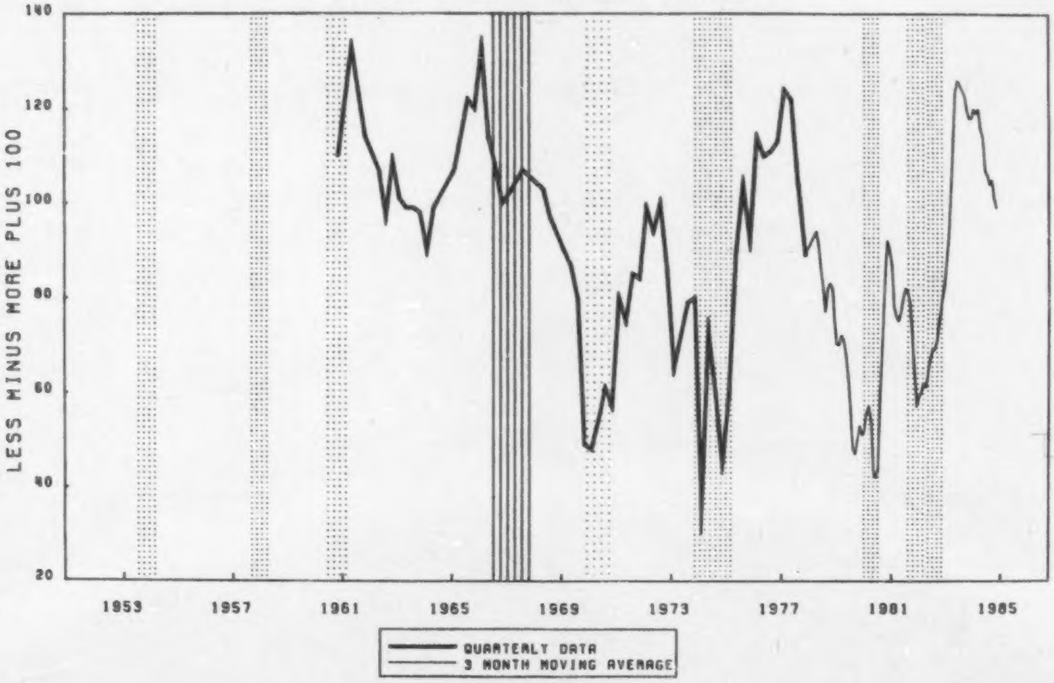


TABLE 20

EXPECTED CHANGE IN UNEMPLOYMENT

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
LESS	35%	36%	36%	31%	38%	28%	29%	24%	26%	24%	26%	20%	22%
SAME	47	45	48	50	45	52	51	52	53	54	50	54	52
MORE	16	17	14	16	16	18	20	23	19	21	22	24	24
DK,NA	2	2	2	3	1	2	*	1	2	1	2	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

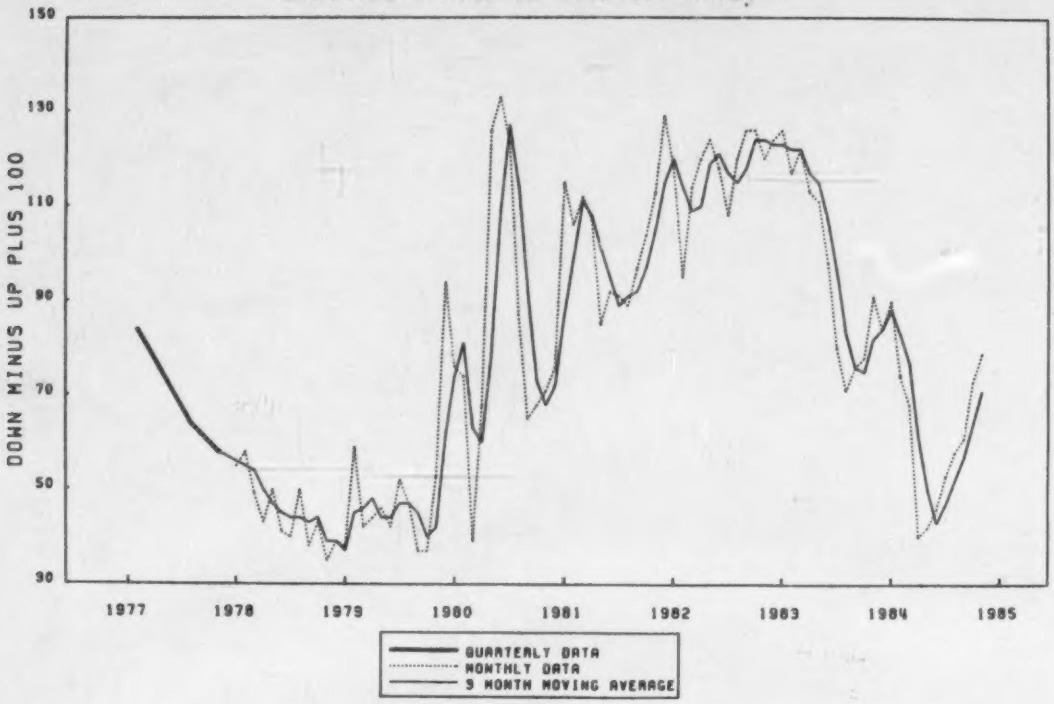


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

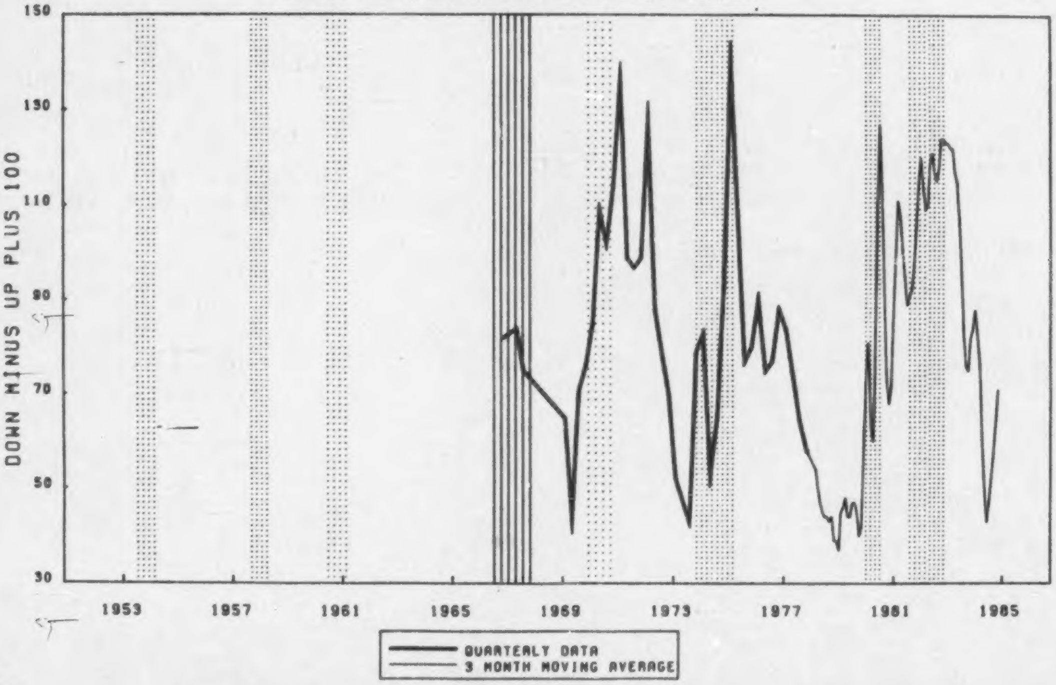


TABLE 21

EXPECTED CHANGE IN INTEREST RATES

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
GO UP	33%	37%	32%	42%	45%	68%	66%	64%	58%	55%	52%	45%	44%
STAY THE SAME	40	37	43	38	37	21	25	24	27	29	32	33	31
GO DOWN	24	21	22	16	13	8	8	10	11	13	13	18	23
DK,NA	3	5	3	4	5	3	1	2	4	3	3	4	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES
CHANGE IN PRICES DURING THE LAST 12 MONTHS

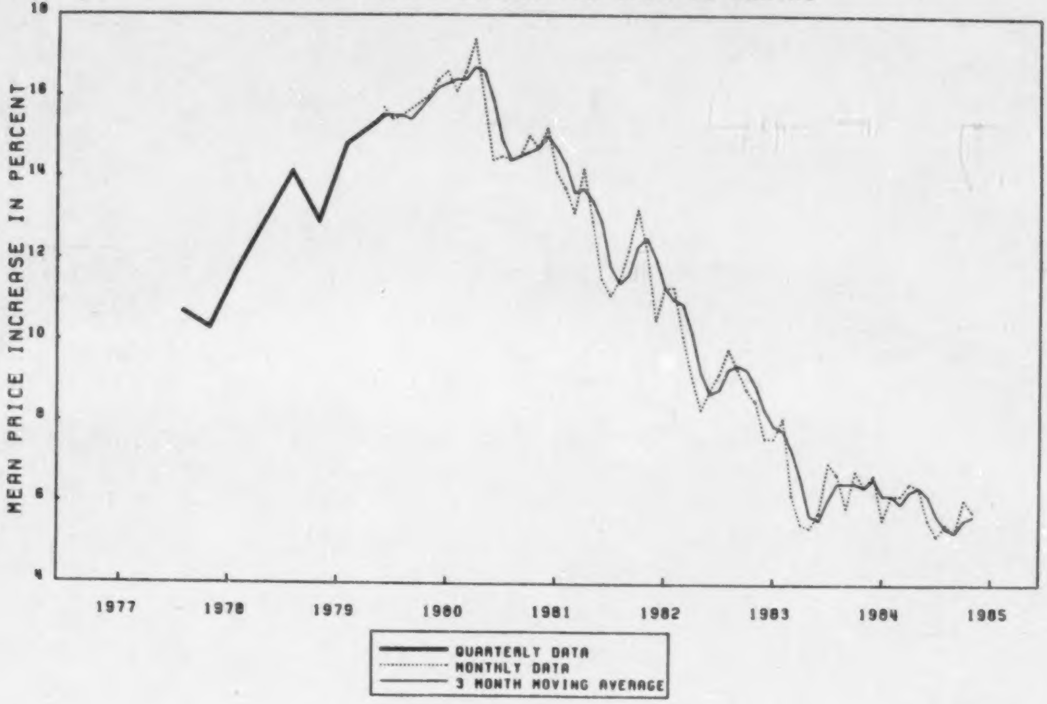


TABLE 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
SAME OR DOWN	24%	24%	23%	23%	23%	22%	23%	22%	27%	29%	29%	28%	27%
GONE UP BY:													
1-2%	9	8	12	9	8	10	10	12	8	10	9	9	11
3-4%	13	15	16	14	16	14	14	17	17	12	16	15	15
5%	15	15	17	17	15	17	17	16	16	18	16	13	14
6-9%	8	8	8	9	10	11	9	8	8	8	7	7	5
10-14%	14	11	9	14	12	9	13	12	11	11	9	11	11
15% or more	9	10	7	9	9	12	10	8	8	7	8	11	10
DK how much up	7	8	7	5	7	5	4	5	4	5	6	5	6
DK,NA	1	1	1	*	*	*	*	*	1	*	*	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	6.4	6.7	5.6	6.2	6.2	6.5	6.4	5.6	5.2	5.5	5.3	6.1	5.8
VARIANCE	76	90	69	68	72	75	78	54	48	75	63	84	76
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

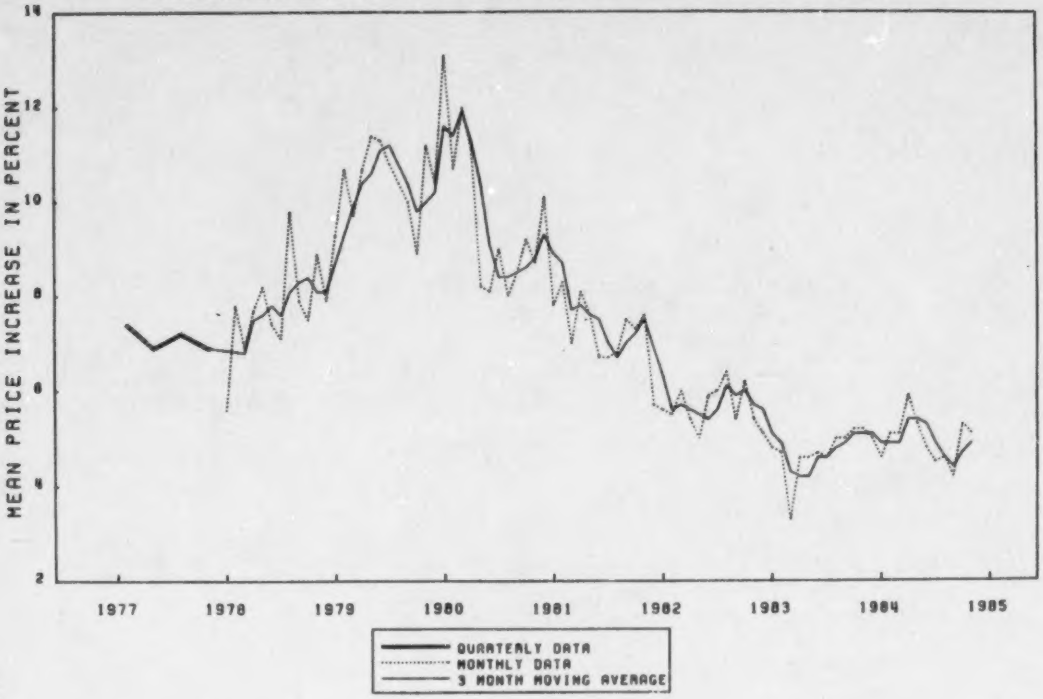


CHART 23 - HISTORICAL SERIES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

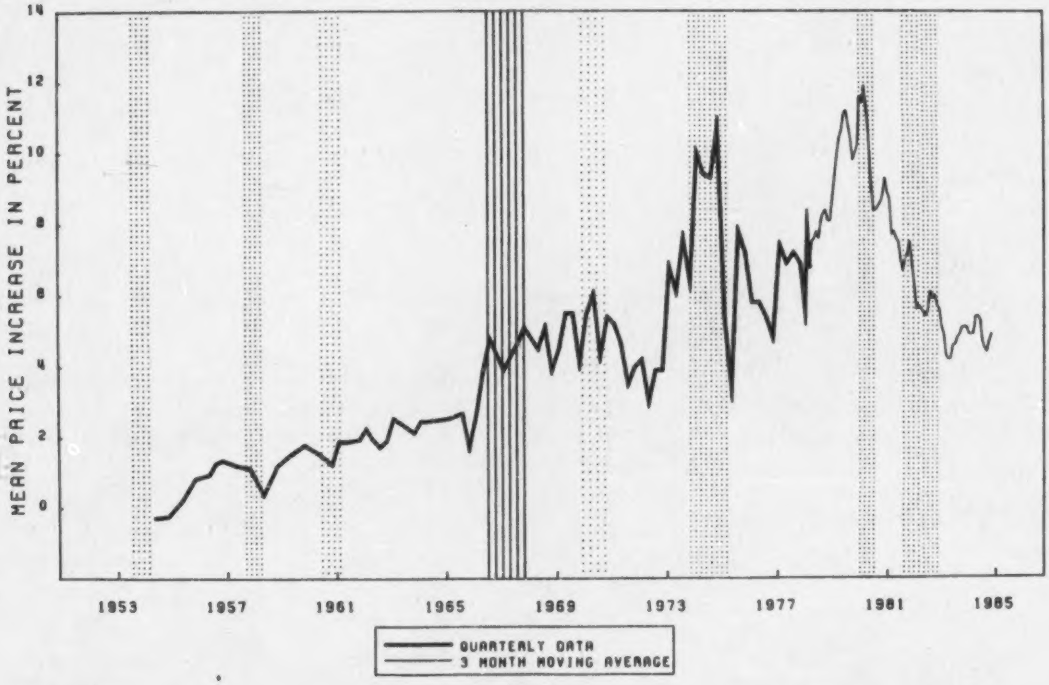


TABLE 23

EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
SAME OR DOWN	25%	23%	25%	23%	24%	19%	19%	19%	23%	24%	24%	22%	23%
WILL GO UP BY:													
1-2%	12	12	13	14	14	13	15	14	13	18	16	13	14
3-4%	14	15	20	19	16	17	15	16	17	15	19	15	17
5%	16	17	13	19	15	15	20	18	20	18	14	18	18
6-9%	9	8	9	6	10	12	11	11	8	6	8	9	6
10-14%	11	11	10	8	11	11	9	13	8	8	8	10	9
15% or more	6	5	4	6	5	8	6	4	5	5	4	7	7
DK how much up	5	7	4	4	4	3	4	4	3	5	4	4	4
DK,NA	2	2	2	1	1	2	1	1	3	1	3	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	5.2	5.0	4.6	5.1	5.1	5.9	5.3	4.8	4.5	4.6	4.2	5.3	5.1
VARIANCE	54	44	40	51	55	57	49	27	33	46	36	53	47
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

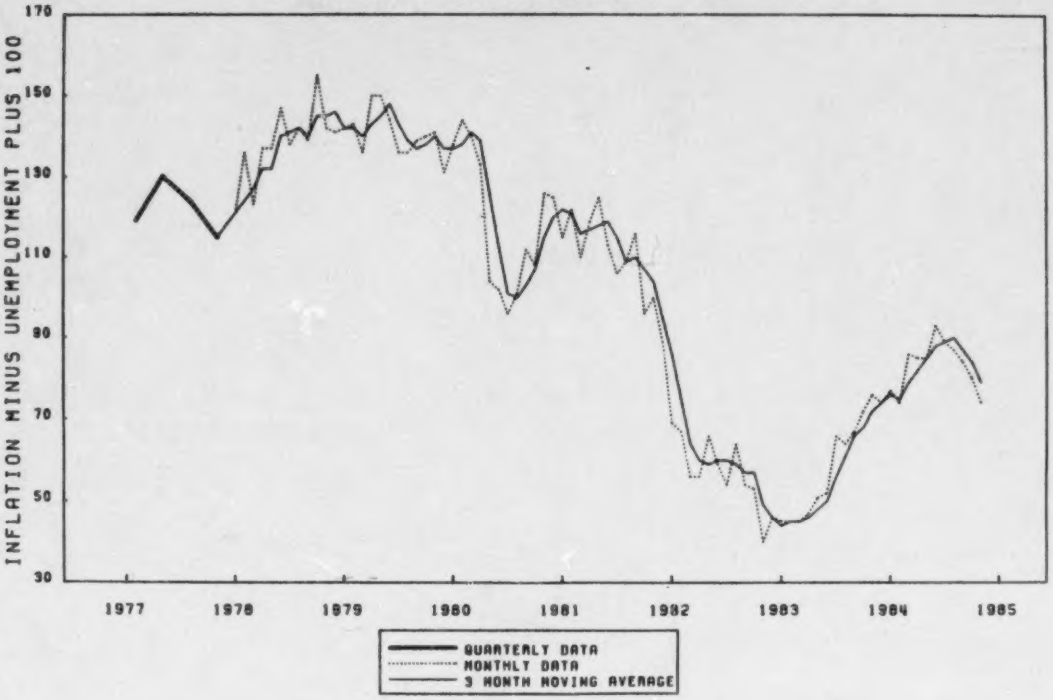


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

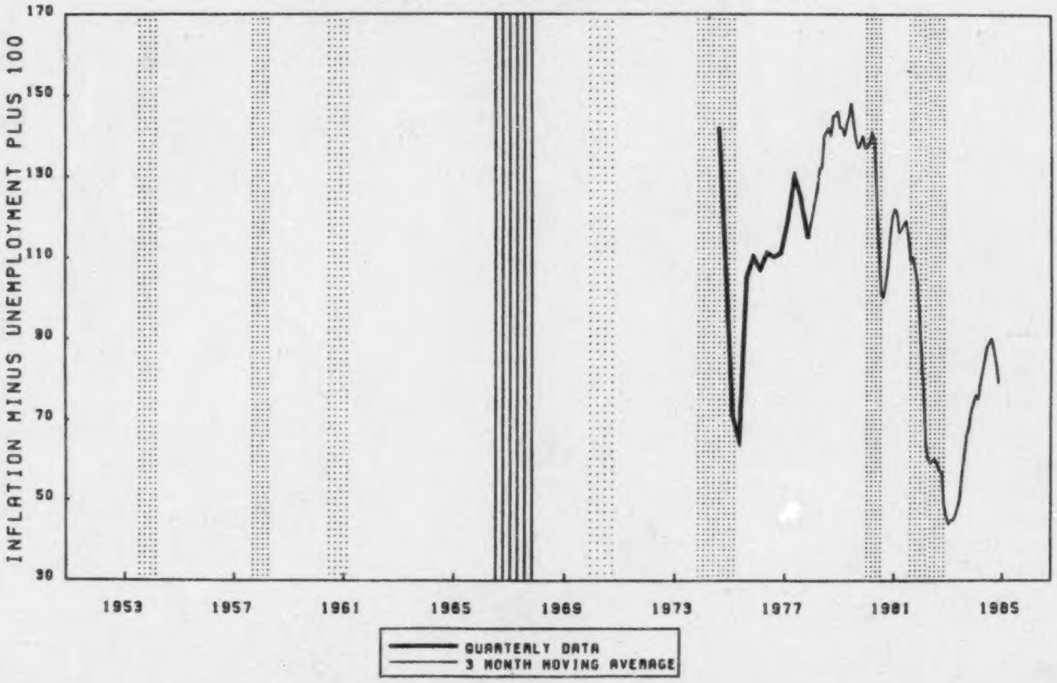


TABLE 24

UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
UNEMPLOYMENT	57%	59%	58%	59%	52%	53%	54%	51%	51%	52%	54%	55%	59%
BOTH EQUALLY SERIOUS	7	6	4	5	7	7	6	3	7	6	5	8	7
INFLATION	33	33	35	33	38	38	39	44	40	39	38	35	33
DK,NA	3	2	3	3	3	2	1	2	2	3	3	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

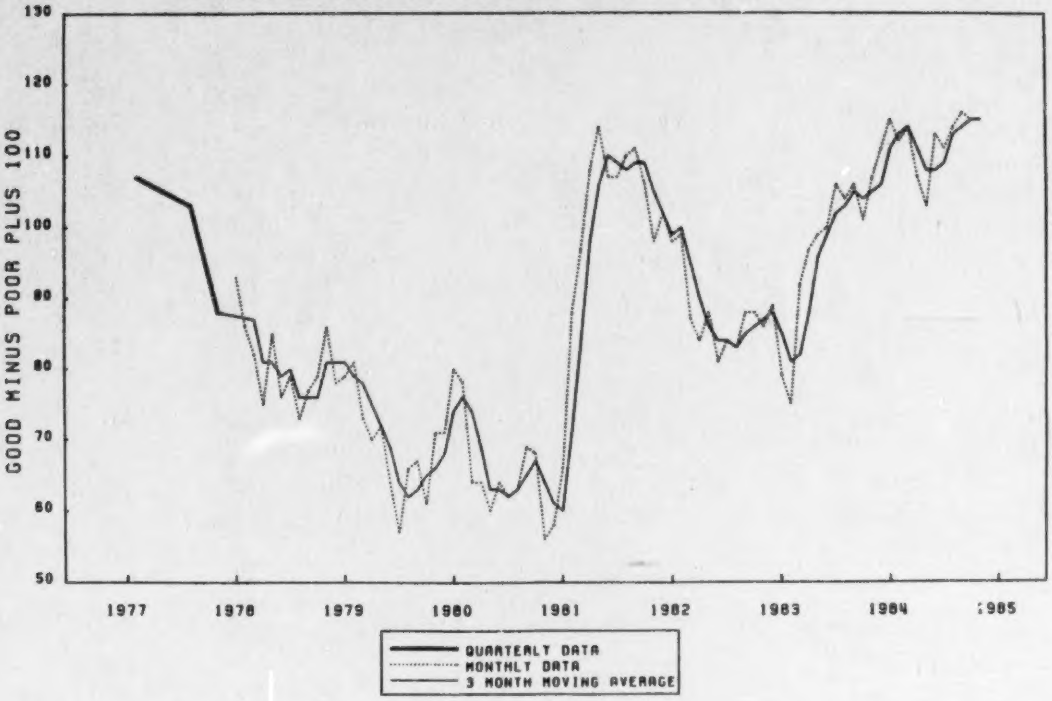


CHART 25 - HISTORICAL SERIES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

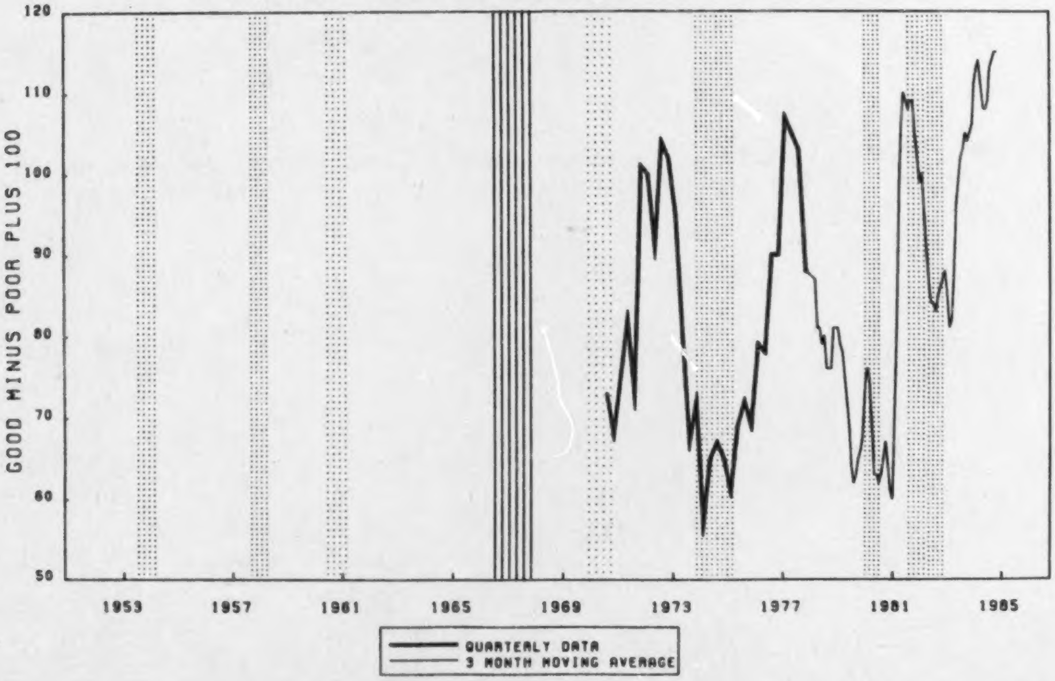


TABLE 25

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
A GOOD JOB	27%	29%	31%	32%	33%	27%	25%	31%	30%	33%	35%	36%	32%
ONLY FAIR	49	51	52	45	47	50	52	49	48	46	44	41	50
A POOR JOB	20	18	16	20	19	20	22	18	19	19	19	21	17
DK,NA	4	2	1	3	1	3	1	2	3	2	2	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

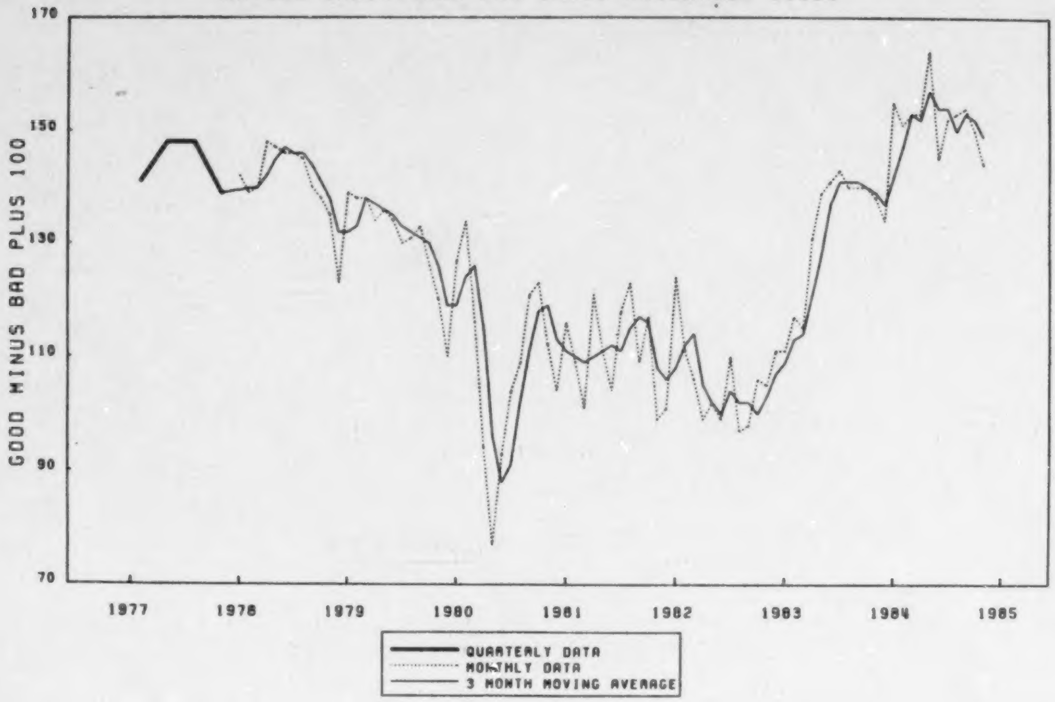


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

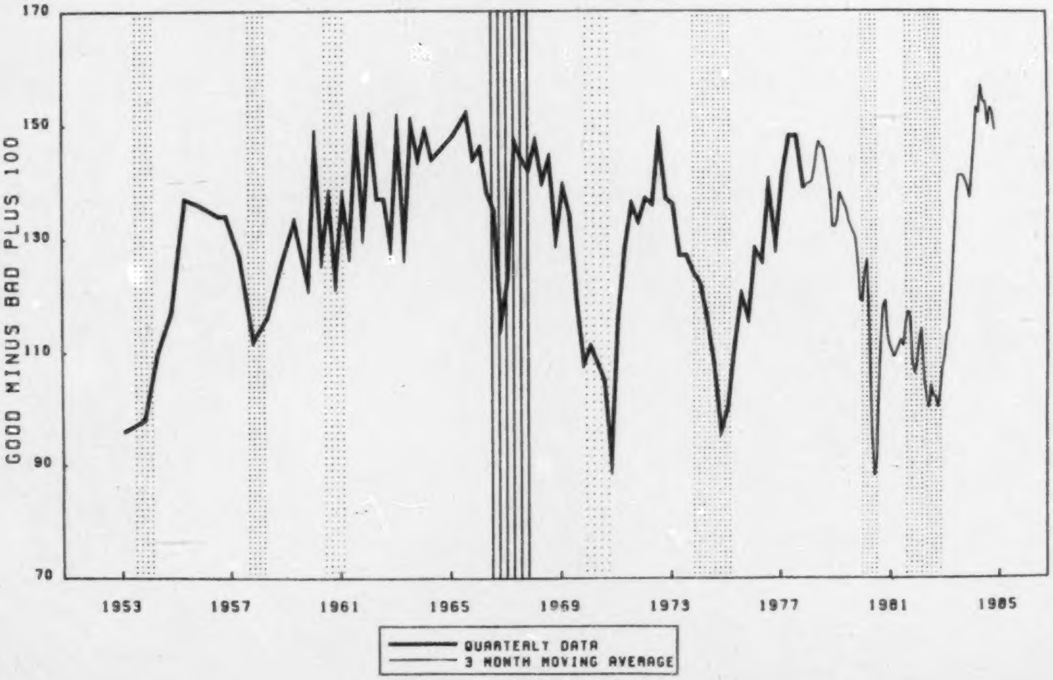


TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
GOOD TIME TO BUY	64%	61%	73%	70%	72%	72%	77%	67%	71%	72%	72%	70%	67%
UNCERTAIN, DEPENDS	10	12	9	11	9	9	10	11	10	9	10	10	10
BAD TIME TO BUY	26	27	18	19	19	19	13	22	19	19	18	20	23
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

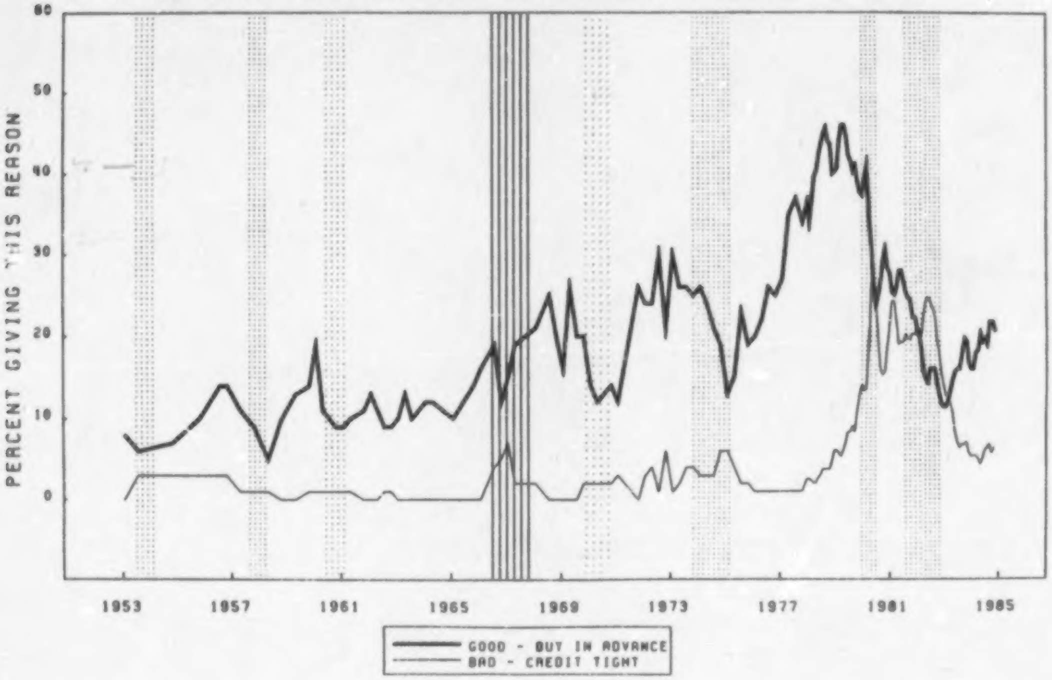


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

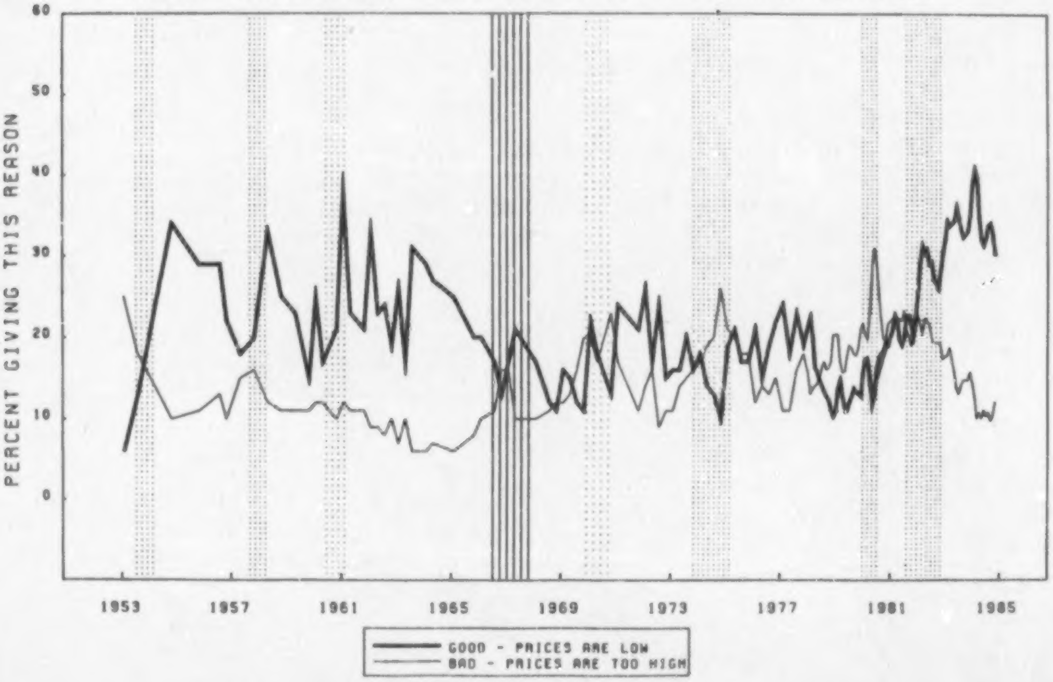


TABLE 27

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
GOOD TIME TO BUY:													
Prices are low; good buys available	34%	38%	45%	39%	35%	30%	31%	33%	33%	35%	34%	29%	28%
Prices won't come down; are going higher	16	13	19	16	19	20	22	16	21	20	24	21	17
Interest rates low; credit is easy	8	7	9	11	10	14	11	11	10	8	8	11	11
BAD TIME TO BUY:													
Prices are high	15	18	10	10	10	12	8	13	10	9	10	12	14
Interest rates are high; credit is tight	7	3	6	7	3	5	5	5	8	6	6	5	8
Lack of purchasing power	8	10	7	7	9	6	5	7	5	7	7	7	7

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

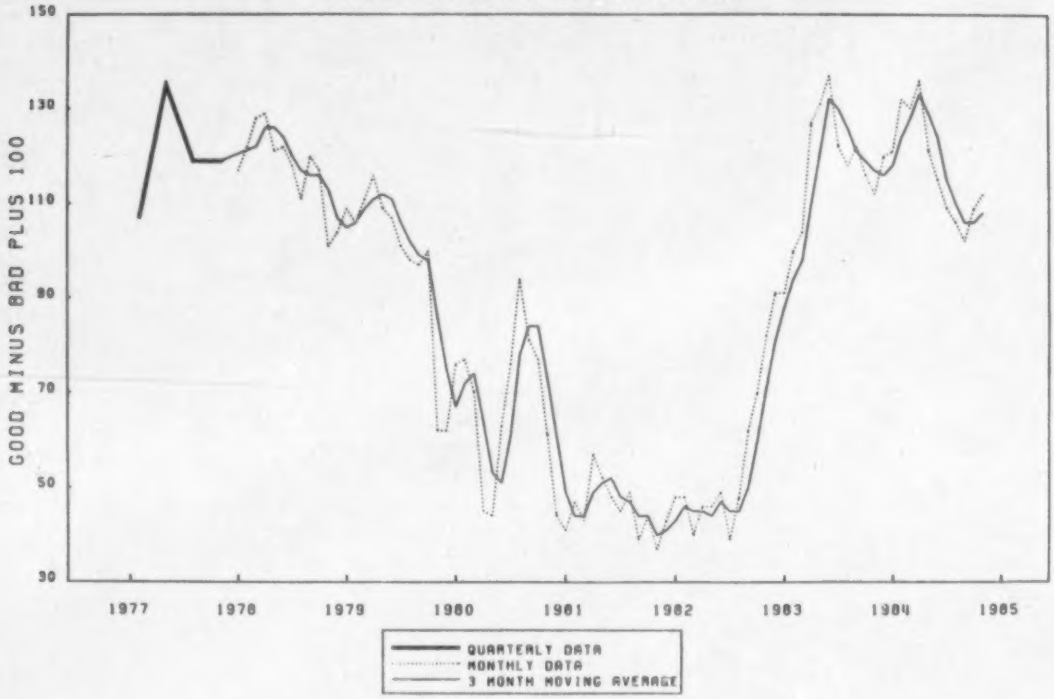


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

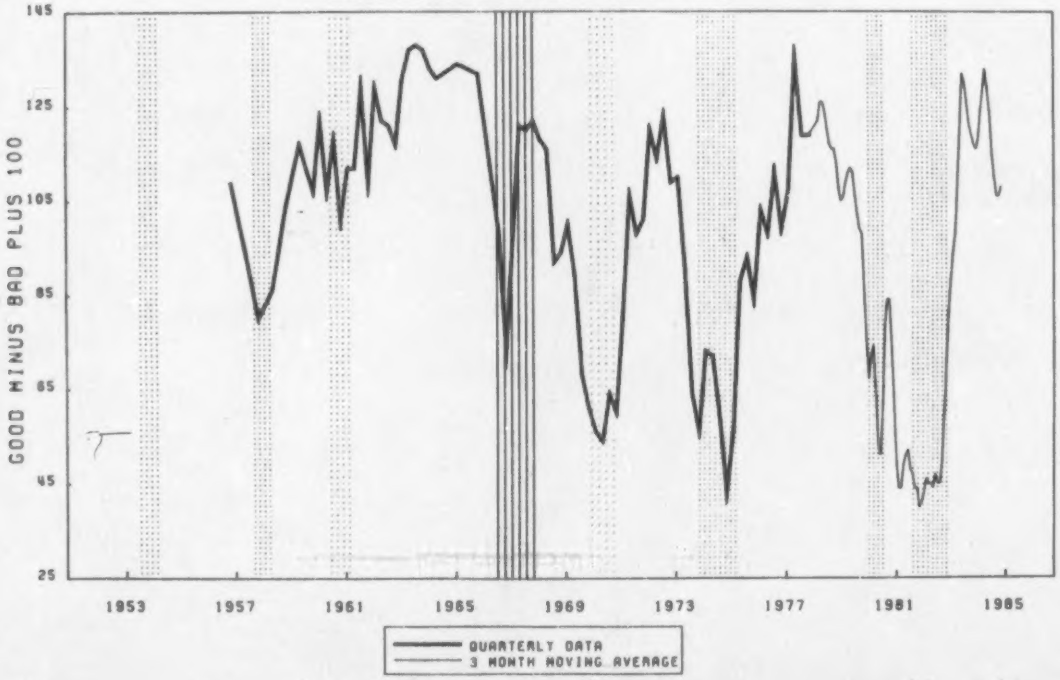


TABLE 28

BUYING CONDITIONS FOR HOUSES

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
GOOD TIME TO BUY	53%	57%	59%	63%	62%	66%	58%	55%	52%	50%	48%	52%	54%
UNCERTAIN, DEPENDS	6	6	3	6	6	4	5	5	5	6	6	5	4
BAD TIME TO BUY	41	37	38	31	32	30	37	40	43	44	46	43	42
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

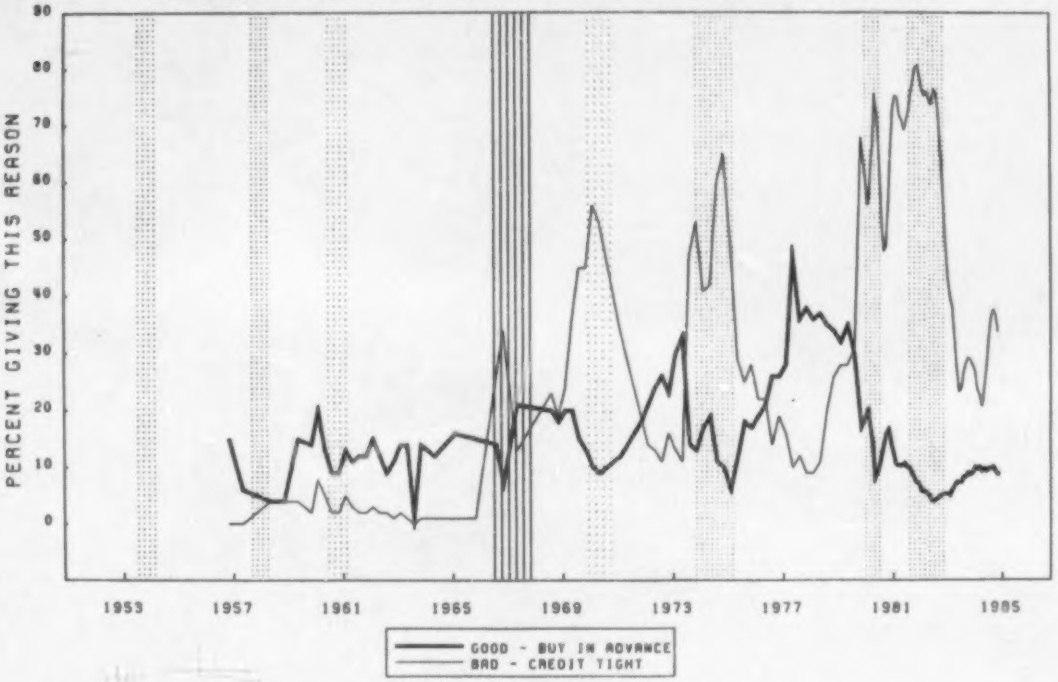


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

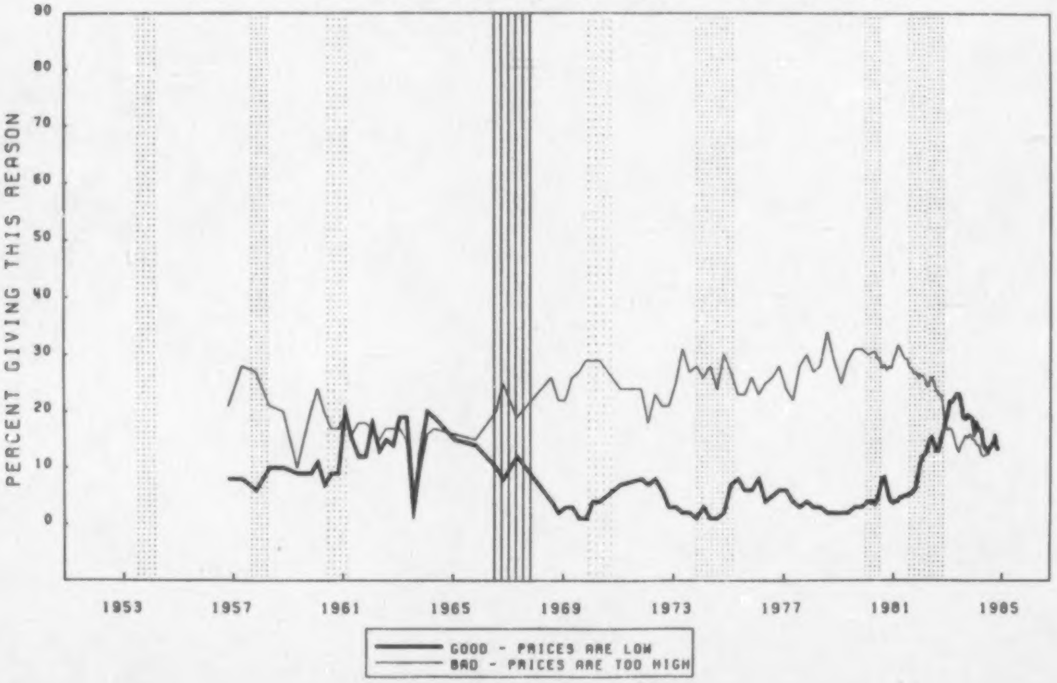


TABLE 29

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
GOOD TIME TO BUY:													
Prices are low; good buys available	16%	18%	15%	20%	15%	15%	12%	13%	13%	15%	14%	15%	11%
Prices won't come down; are going higher	9	9	12	8	10	10	9	9	11	9	10	9	7
Interest rates low; credit is easy	40	41	41	50	49	52	44	38	37	35	34	35	44
Good investment	5	6	8	6	8	6	5	8	5	4	7	5	7
BAD TIME TO BUY:													
Prices are high	16	13	16	13	13	11	12	14	12	16	16	16	12
Interest rates are high; credit is tight	30	25	26	20	22	20	29	33	36	40	37	33	31
Lack of purchasing power	16	13	12	10	11	10	12	10	11	11	11	10	13

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

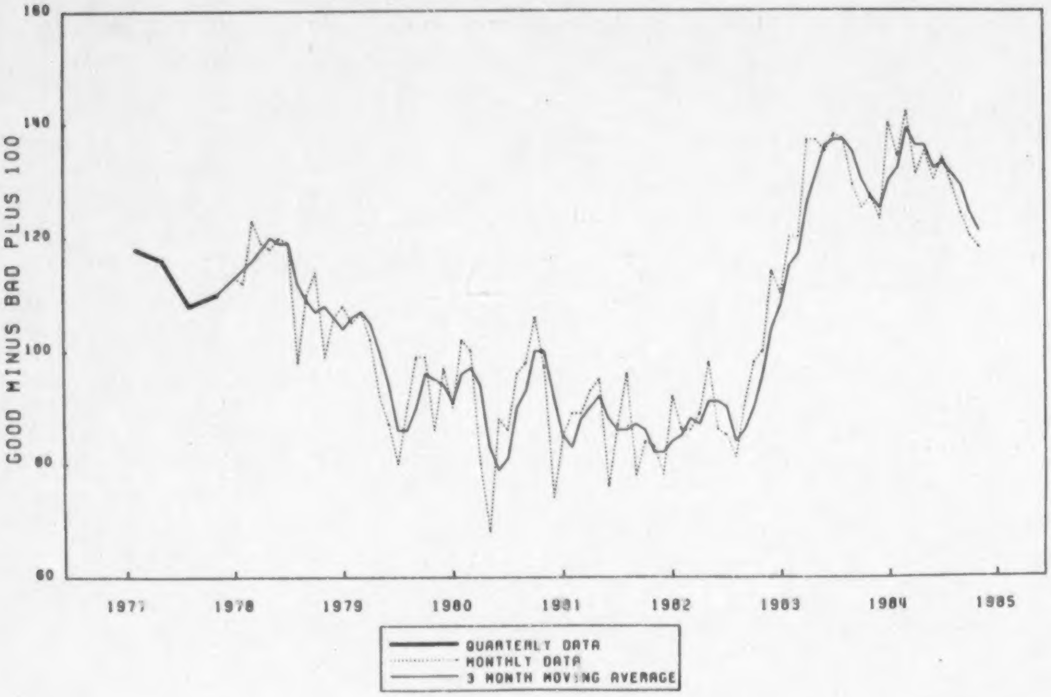


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

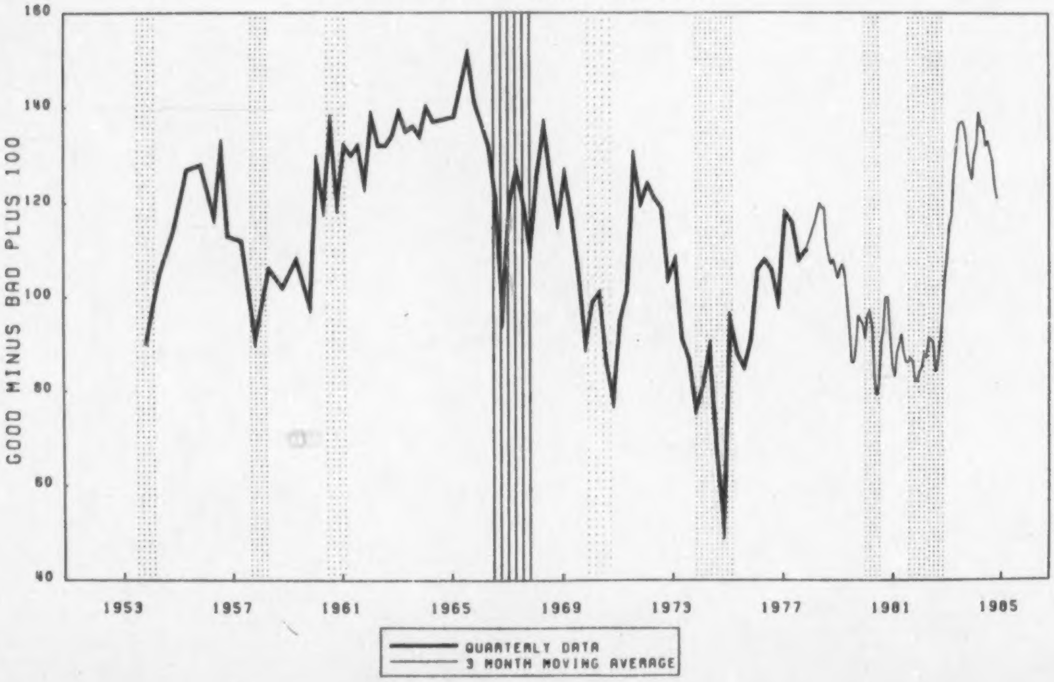


TABLE 30

BUYING CONDITIONS FOR CARS

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
GOOD TIME TO BUY	59%	56%	64%	62%	66%	60%	63%	60%	62%	59%	59%	54%	55%
UNCERTAIN; DEPENDS	9	11	12	10	10	11	9	10	10	11	6	12	8
BAD TIME TO BUY	32	33	24	28	24	29	28	30	28	30	35	34	37
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

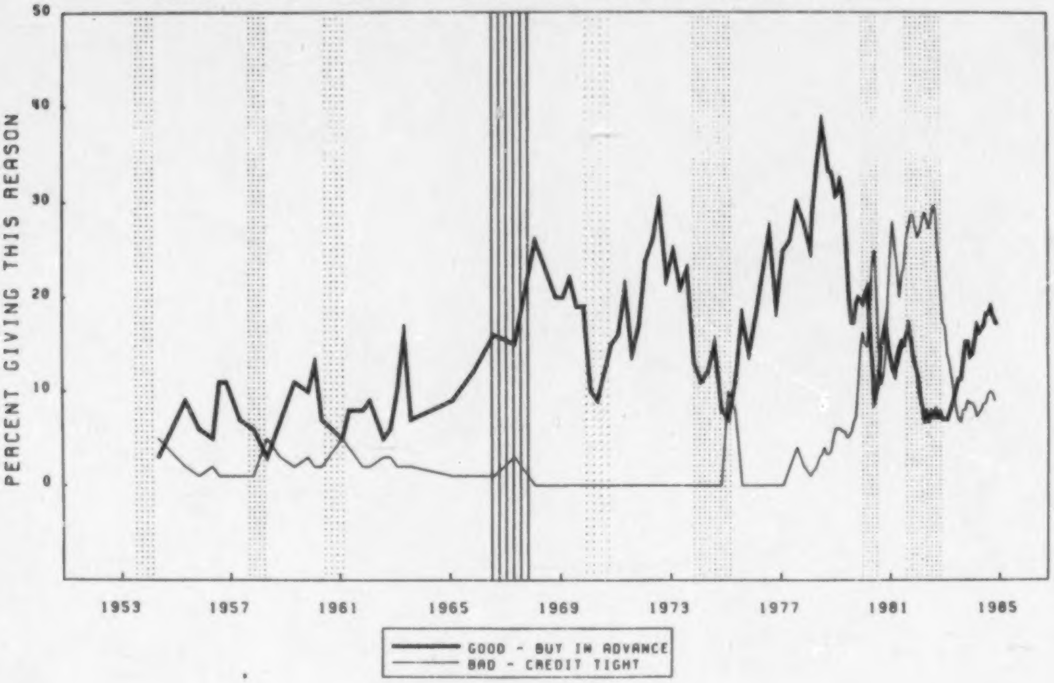


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

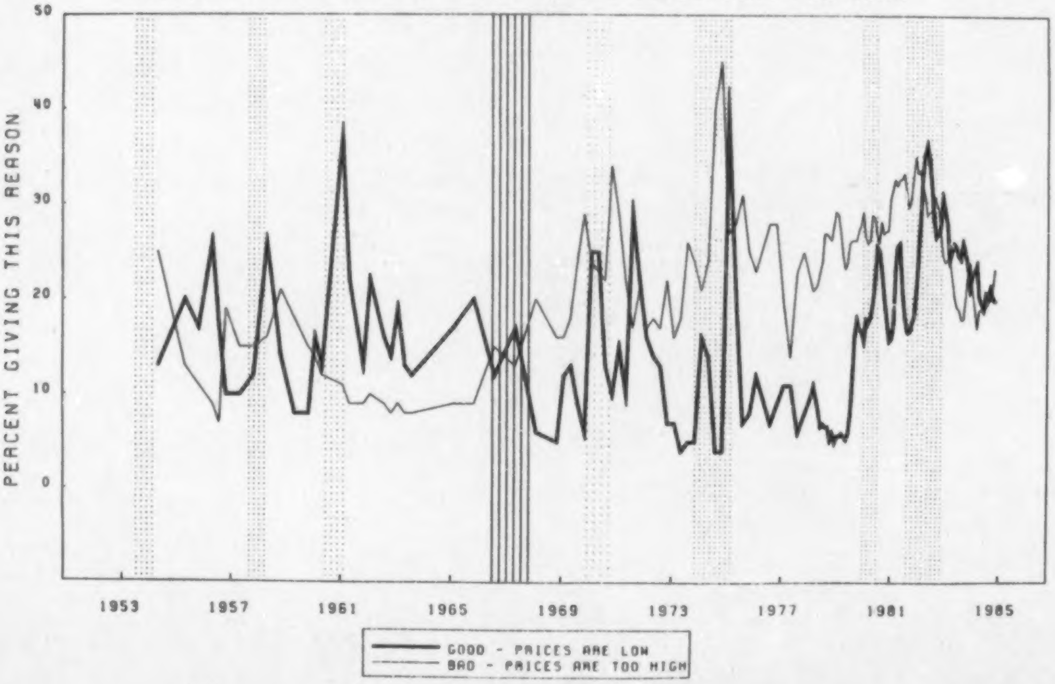


TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
GOOD TIME TO BUY:													
Prices are low; good buys available	21%	21%	26%	22%	23%	16%	20%	21%	21%	19%	24%	18%	18%
Prices won't come down; are going higher	12	12	18	16	17	16	17	18	20	17	20	17	15
Interest rates low; credit is easy	22	19	23	22	22	22	18	18	24	17	15	14	18
New fuel efficient models	2	2	1	2	1	1	3	1	1	2	1	2	*
BAD TIME TO BUY:													
Prices are high	23	24	16	18	17	22.	18	20	20	19	22	23	25
Interest rates are high; credit is tight	9	9	8	8	6	9	9	8	9	12	9	8	10
Lack of purchasing power	6	5	3	5	5	4	5	4	4	5	6	6	8
Price of gas; shortages	*	*	*	*	1	*	*	*	*	1	*	*	*
Poor selection; quality	6	5	5	4	4	6	2	2	4	4	3	3	5

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

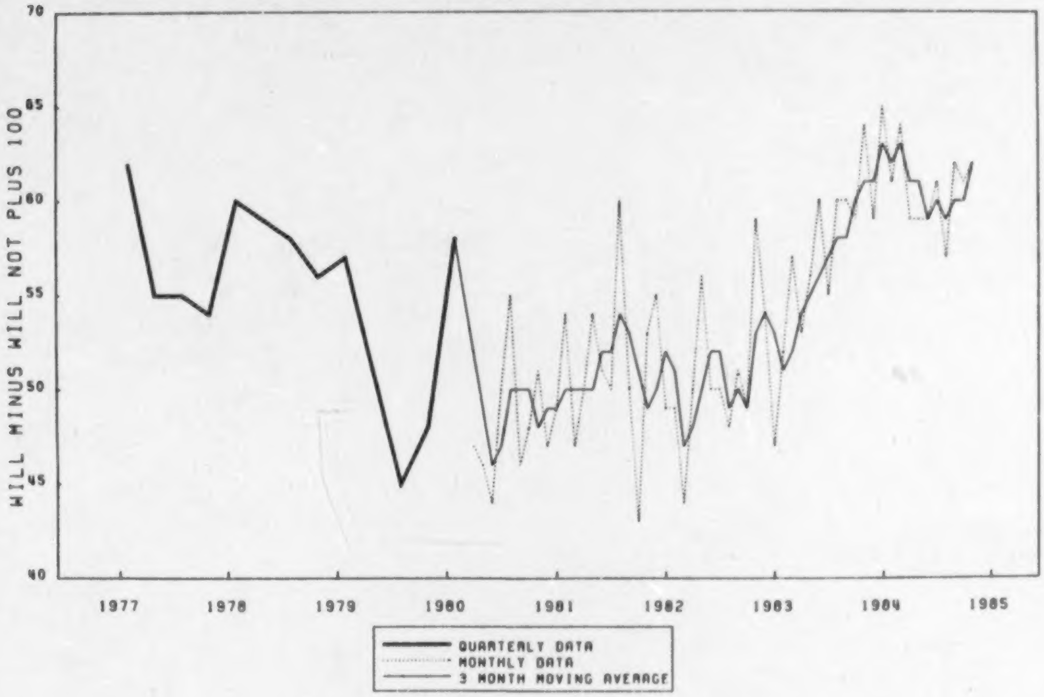


CHART 32 - RECENT CHANGES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

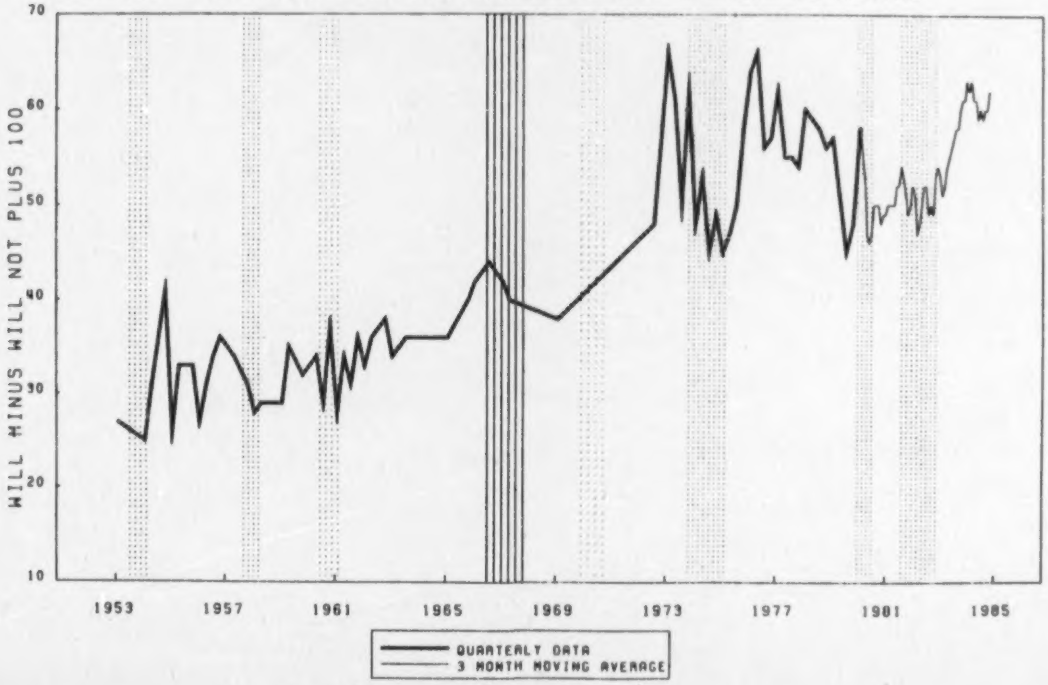


CHART 32 - HISTORICAL SERIES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

TABLE 32

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
PROBABLY WILL BUY	22%	20%	23%	21%	22%	21%	19%	20%	20%	21%	22%	21%	21%
CHANCES ARE EVEN	9	8	7	9	12	6	12	9	9	7	8	8	9
PROBABLY WILL NOT BUY	58	61	58	60	58	62	60	61	59	64	60	60	59
DK,NA	11	11	12	10	8	11	9	10	12	8	10	11	11
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	701	681	687	700	705	690	680	656	693	690	706	710

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
PROPORTION WITH CURRENT PURCHASE INTENTIONS:	31%	28%	30%	30%	34%	27%	31%	29%	29%	28%	30%	29%	30%
PURCHASE TYPE:													
Buy new	17	16	15	14	16	13	15	16	15	15	14	15	15
Buy used	12	9	13	13	17	12	14	11	12	11	13	12	13
Lease	1	2	1	2	1	1	2	1	2	1	2	2	1
DK,NA	1	1	1	1	*	1	*	1	*	1	1	*	1
PURCHASE TIMING:													
Next 3 months	4	2	5	3	2	7	3	2	7	3	1	6	5
Next 4-6 months	5	4	10	7	10	6	9	8	6	5	8	6	7
Next 7-9 months	9	10	7	8	8	6	7	9	3	4	5	7	7
10 months or more	8	8	4	5	8	4	6	4	7	8	10	4	8
DK,NA	5	4	4	7	6	4	6	6	6	8	6	6	3

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984
PROPORTION WITH FUTURE PURCHASE INTENTIONS:	58%	61%	58%	60%	58%	62%	60%	61%	59%	64%	60%	60%	59%
PURCHASE TYPE:													
Would buy new	36	36	36	32	32	34	33	36	35	33	34	31	33
Would buy used	21	24	21	26	25	27	26	24	22	29	25	27	25
DK,NA	1	1	1	2	1	1	1	1	2	2	1	2	1
PURCHASE TIMING:													
Less than 2 years	5	7	5	8	7	10	5	7	5	8	5	7	7
2 years	19	23	19	20	19	20	22	21	18	25	21	21	20
3 years	10	9	10	9	9	9	9	8	10	8	11	10	9
4 years or more	18	17	17	17	16	17	18	17	18	15	17	16	17
Indefinite	1	1	2	3	3	1	2	2	3	3	2	1	2
DK,NA	5	4	5	3	4	5	4	6	5	5	4	5	4

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

EXPLANATORY CHARTS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

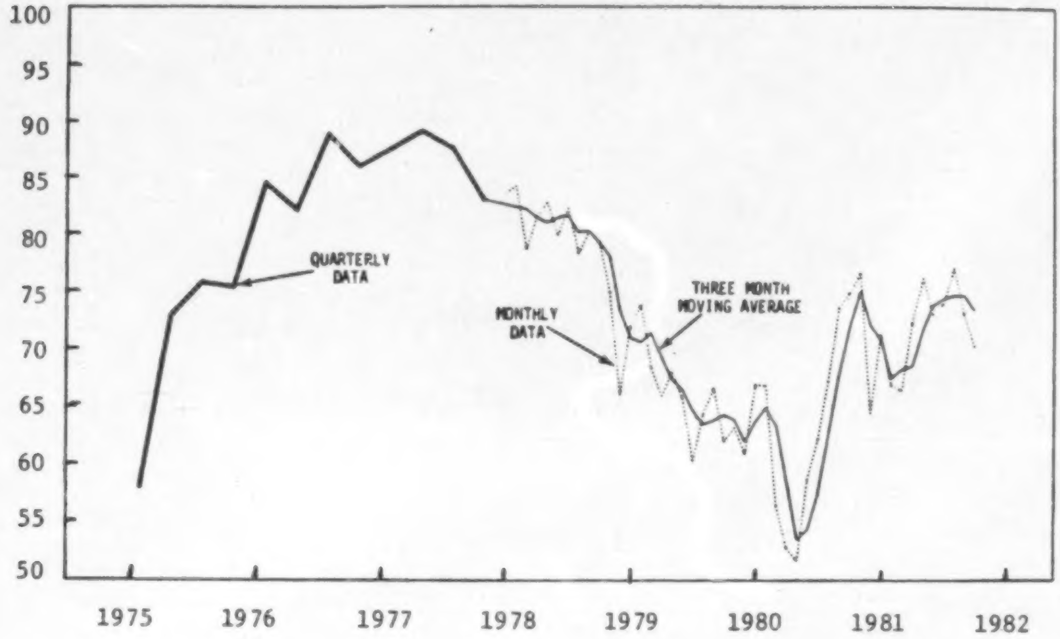
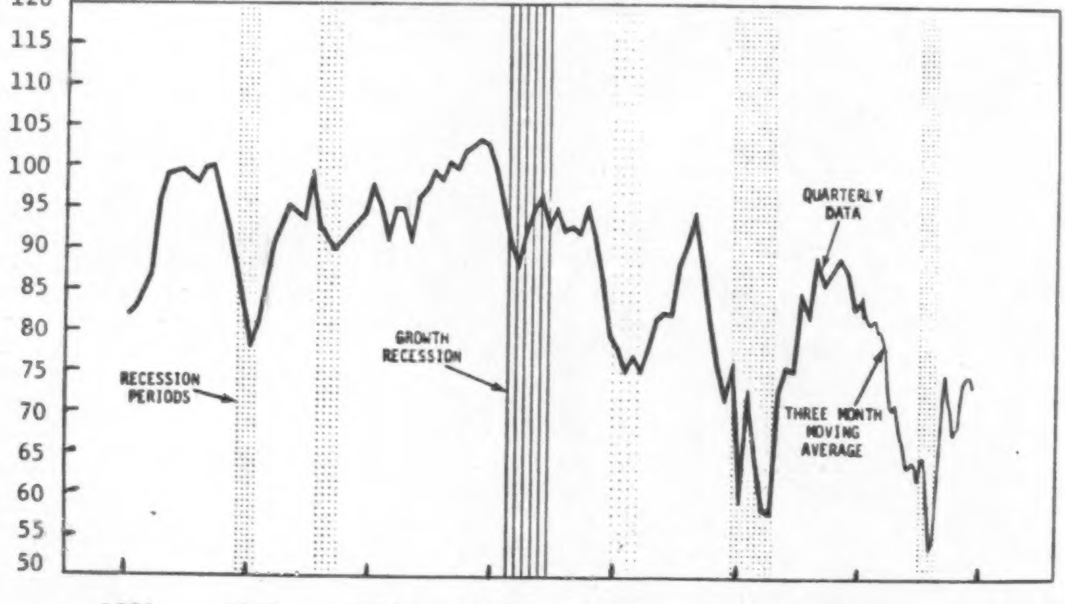


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES: November 1948 - October 1949
July 1953 - May 1954
August 1957 - April 1958
April 1960 - February 1961
June 1966 - November 1967*
December 1969 - November 1970
November 1973 - March 1975
January 1980 - July 1980
July 1981 - November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

Reported Percentages	Number of Interviews		
	700[b]	1,400[c]	2,100[d]
50	4.2	3.2	2.8
30 or 70	3.8	2.9	2.5
20 or 80	3.4	2.6	2.2
10 or 90	2.5	1.9	1.6
5 or 95	1.8	1.4	1.2

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

12/3/84 U7475-2 A

November 30, 1984

NOVEMBER 1984 MONTHLY REPORT

Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

CONSUMER CONFIDENCE: BASKING IN THE MID 90s

** In the November 1984 survey, the Index of Consumer Sentiment was 95.7, just below the 96.3 recorded in October, and above the 91.1 recorded in November 1983. Despite the small November decline, consumer sentiment was more favorable in each survey conducted during 1984 than anytime in the prior decade.

** Among families with incomes of $25,000 or more, the Index rose to 111.0 in November, from 107.7 in October, and 98.8 in November 1983.

** Consumer evaluations of their personal financial situation remained at very favorable levels in the November survey. Among all families, 46 percent recorded recent improvements in their finances in the November survey, up from 38 percent one year earlier. Improvement during the year ahead was expected by 39 percent of all families, unchanged from one year earlier. Just 10 percent of all families in the November survey expected a worsening financial situation during the year ahead.

** Interest rate expectations improved substantially during the past six months. Among all families in the November 1984 survey, 44 percent expected interest rate increases during the year ahead, down from 55 percent three months earlier, and 66 percent six months earlier. During that same time, the proportion of families that expected interest rate declines rose to 23 from 8 percent.

** An annual inflation rate of 5.1% was expected in the November survey, just below the 5.2% recorded one year earlier. The aggregate unemployment rate was expected to remain unchanged at its current level during the year ahead by the majority of respondents in the November 1984 survey.

** Although the pace of economic growth was expected to remain slow, good times financially in the economy as a whole were expected to prevail during 1985. Of all families in the November 1984 survey, 59 percent expected good economic times, unchanged from the year earlier reading. During the past year, consumers have become increasingly habituated to news of favorable economic developments. By November 1984, nearly half (49 percent) of all respondents reported that they were not aware of any recent favorable or unfavorable changes in the economy.

** The majority of families in the November 1984 survey continued to favorably rate buying conditions for each homes, vehicles, and large household durables. Favorable perceptions of market prices weakened during the past year, especially with regard to vehicles, and have drained some buyer enthusiasm. Favorable references to the availability of lower interest rates, however, have increased in frequency following the mid-1984 depressed levels, and have led to recent improvement, especially in home buying attitudes.

* * *

A detailed report on recent trends is attached.

Monitoring Economic Change Program
Institute for Social Research • P.O. Box 1248 • Ann Arbor, Michigan 48106-1248 • (313) 763-5224

1/22/85 U7475-2 A

SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

TABLES AND CHARTS

DECEMBER 1984

The December 1984 survey is the 195th in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

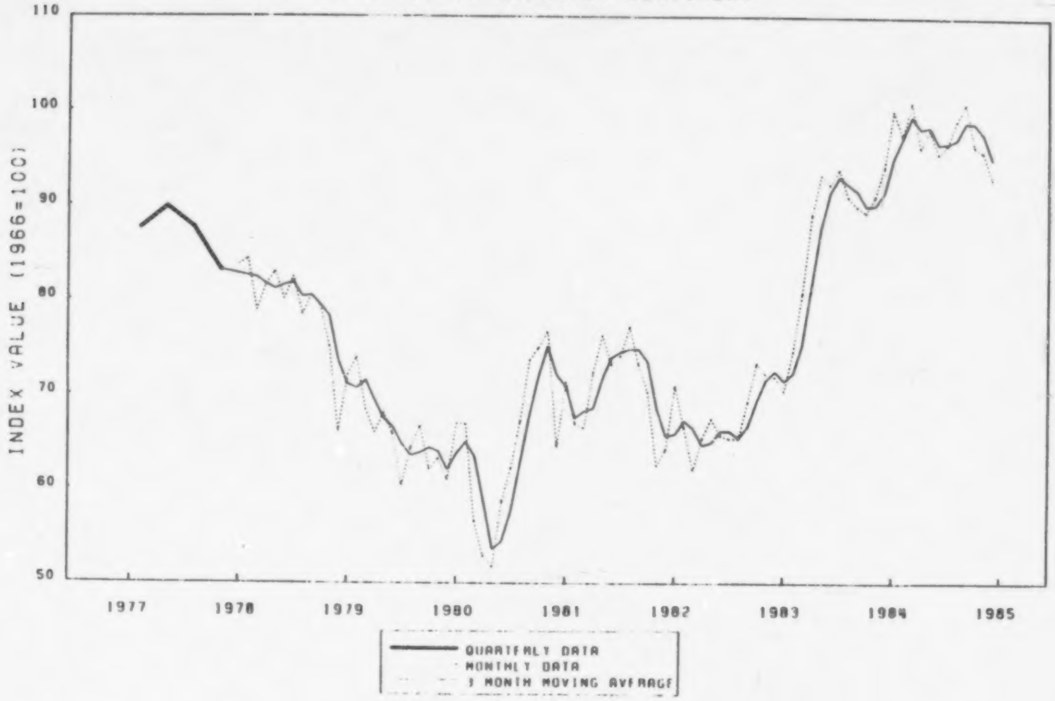


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

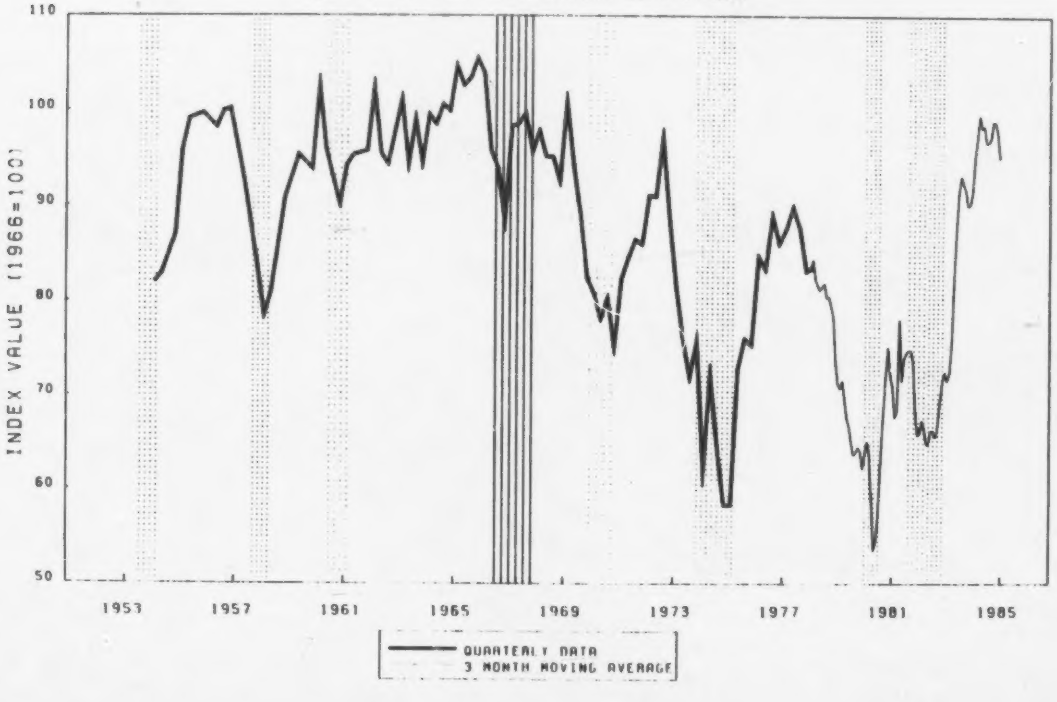


TABLE 1

THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY		All families	Families with incomes over $20,000	Families with incomes over $25,000
December	1981	64.3	71.0	71.1
January	1982	71.0	77.9	77.8
February	1982	66.5	71.5	72.8
March	1982	62.0	67.0	67.9
April	1982	65.5	71.5	73.2
May	1982	67.5	72.7	74.8
June	1982	65.7	71.4	72.9
July	1982	65.4	68.9	69.2
August	1982	65.4	71.0	73.6
September	1982	69.3	78.4	81.1
October	1982	73.4	77.5	80.9
November	1982	72.1	79.3	81.1
December	1982	71.9	78.0	80.5
January	1983	70.4	78.2	78.8
February	1983	74.6	79.9	81.3
March	1983	80.8	88.4	88.9
April	1983	89.1	97.1	99.0
May	1983	93.3	99.6	101.0
June	1983	92.2	101.2	102.5
July	1983	93.9	104.4	106.5
August	1983	90.9	101.2	103.5
September	1983	89.9	99.0	102.3
October	1983	89.3	99.5	101.9
November	1983	91.1	97.2	98.8
December	1983	94.2	101.7	104.5
January	1984	100.1	112.0	114.2
February	1984	97.4	109.6	111.2
March	1984	101.0	110.9	114.2
April	1984	96.1	103.9	105.5
May	1984	98.1	105.6	107.1
June	1984	95.5	104.4	104.5
July	1984	96.6	103.2	102.8
August	1984	99.1	106.7	109.2
September	1984	100.9	109.7	111.7
October	1984	96.3	106.2	107.7
November	1984	95.7	108.6	111.0
December	1984	92.9	99.2	100.1

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

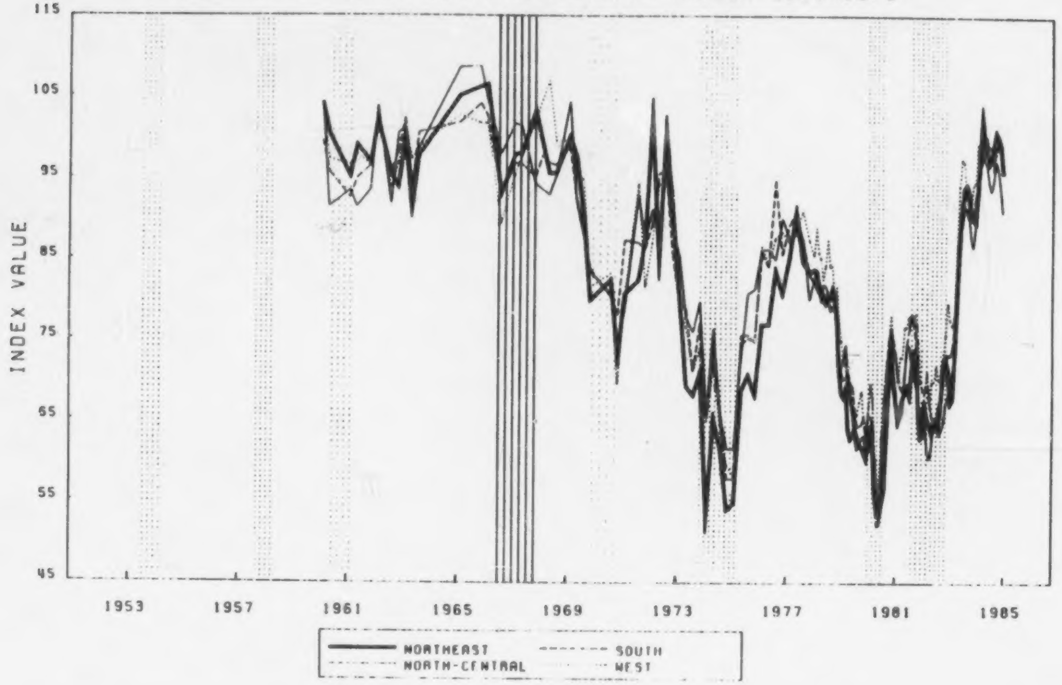


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

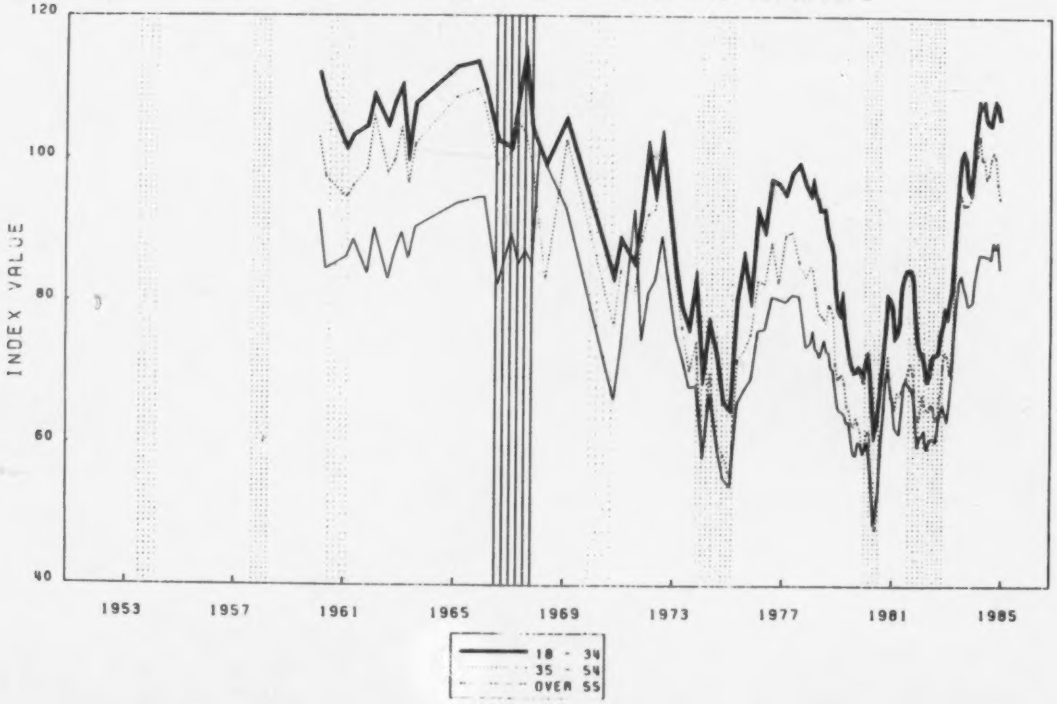


TABLE 2

INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

	CENSUS REGION				AGE OF RESPONDENT		
DATE OF SURVEY	North East	North Central	South	West	18-34	35-54	55+
December 1981	65.0	65.3	64.4	61.6	70.9	65.3	56.7
January 1982	68.8	67.3	72.0	76.2	76.6	67.4	68.5
February 1982	65.9	60.6	71.8	68.8	71.5	68.3	59.0
March 1982	60.5	55.8	64.7	68.2	65.5	61.4	58.8
April 1982	67.2	64.6	65.0	65.8	70.6	65.5	60.4
May 1982	62.4	66.5	66.6	75.7	72.7	67.6	62.0
June 1982	65.4	65.0	64.9	68.6	72.4	64.4	60.3
July 1982	65.1	64.0	63.5	71.1	73.4	63.3	60.6
August 1982	68.1	60.6	64.0	70.6	72.6	62.9	60.2
September 1982	70.3	67.2	71.1	68.8	73.0	66.7	68.0
October 1982	77.8	66.2	74.1	79.3	81.2	72.1	65.5
November 1982	70.6	67.9	73.2	79.3	76.6	75.7	63.8
December 1982	66.1	70.0	72.5	80.4	78.9	71.7	64.2
January 1983	64.9	70.5	73.6	72.8	78.8	70.0	62.0
February 1983	72.1	72.3	75.8	77.2	82.1	68.3	72.4
March 1983	82.9	73.7	82.7	84.4	84.9	81.5	75.5
April 1983	89.1	88.0	87.2	95.6	95.8	90.5	80.5
May 1983	88.3	90.7	93.3	102.7	97.2	97.1	84.9
June 1983	95.1	88.7	92.5	94.1	97.8	94.4	83.9
July 1983	98.3	93.8	89.9	94.3	106.0	93.6	83.0
August 1983	89.6	92.0	91.3	89.6	99.2	92.9	80.0
September 1983	92.6	87.8	89.3	90.8	94.8	94.5	80.9
October 1983	89.9	83.7	91.5	93.5	94.2	93.8	77.8
November 1983	87.7	88.3	91.5	98.5	97.2	94.6	80.7
December 1983	91.4	96.2	95.2	92.2	102.3	97.5	81.8
January 1984	100.7	96.8	97.5	107.5	107.9	106.0	87.4
February 1984	102.3	98.4	93.5	97.1	106.2	98.9	86.5
March 1984	104.8	98.5	102.1	97.5	109.9	105.2	86.6
April 1984	92.5	95.3	98.2	99.3	106.5	95.9	87.0
May 1984	98.8	96.3	96.5	103.9	107.5	98.8	86.6
June 1984	100.1	92.1	95.0	93.7	103.0	97.1	85.9
July 1984	94.3	92.5	100.5	99.3	104.9	98.2	87.1
August 1984	103.1	100.2	97.5	95.4	106.8	105.3	85.2
September 1984	105.0	99.3	99.7	99.9	108.5	99.9	93.3
October 1984	92.5	89.4	100.9	101.7	108.9	95.5	84.2
November 1984	100.3	93.3	95.6	94.1	105.5	94.0	88.1
December 1984	94.8	90.3	93.4	94.0	102.9	94.1	82.2

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

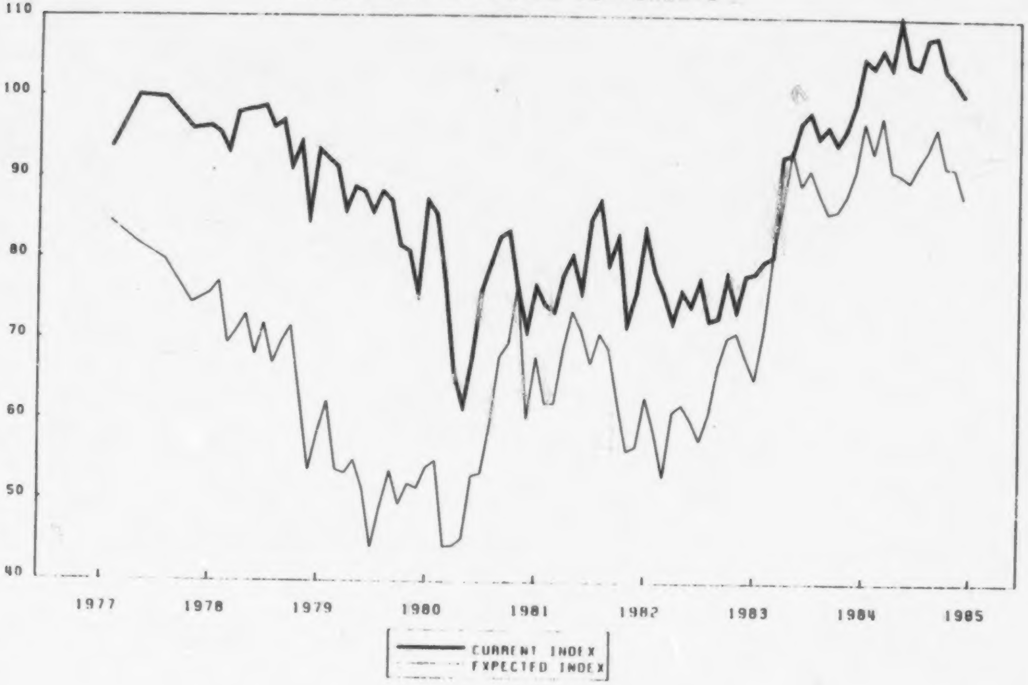


CHART 3 HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS

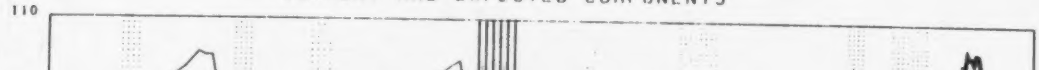


TABLE 3

COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

	INDEX COMPONENTS +						
	Personal finances		Business conditions				
	Current	Expected	12 months	5 years	Buying conds.	Current Index	Expected Index
DATE OF SURVEY	(1)	(2)	(3)	(4)	(5)	(1,5)	(2,3,4)
December 1981	94	110	54	61	101	75.9	56.8
January 1982	92	115	66	70	124	83.5	62.9
February 1982	91	112	56	65	111	78.6	58.7
March 1982	89	106	44	60	106	75.9	53.1
April 1982	87	111	62	70	99	72.3	61.1
May 1982	94	113	62	72	102	76.1	62.0
June 1982	92	116	58	65	99	74.3	60.1
July 1982	90	113	53	63	110	77.5	57.6
August 1982	89	110	64	69	97	72.5	60.9
September 1982	89	116	76	74	98	72.9	66.9
October 1982	95	119	79	83	106	78.1	70.4
November 1982	85	121	77	86	105	73.8	71.0
December 1982	90	117	74	80	111	78.1	67.9
January 1983	91	115	76	69	111	78.4	65.2
February 1983	89	117	87	81	117	79.9	71.2
March 1983	92	126	113	85	115	80.5	80.9
April 1983	108	131	120	99	131	92.7	86.9
May 1983	101	137	139	100	139	93.1	93.4
June 1983	110	128	134	97	141	96.9	89.2
July 1983	111	126	136	104	143	98.1	91.1
August 1983	106	124	130	100	140	95.1	88.2
September 1983	109	125	125	95	140	96.4	85.8
October 1983	104	124	124	98	140	94.3	86.1
November 1983	111	127	129	98	138	96.1	87.9
December 1983	123	125	140	102	134	99.3	91.0
January 1984	117	129	154	108	155	104.9	97.0
February 1984	119	130	139	106	151	103.9	93.2
March 1984	122	135	146	113	153	106.0	97.7
April 1984	117	124	136	106	153	103.9	91.1
May 1984	121	129	131	105	164	109.8	90.6
June 1984	126	124	131	106	145	104.4	89.8
July 1984	117	124	133	113	152	103.9	91.9
August 1984	125	129	137	111	153	107.5	93.7
September 1984	125	131	142	116	154	107.8	96.4
October 1984	118	127	134	107	150	103.6	91.6
November 1984	121	129	132	107	144	102.4	91.5
December 1984	118	125	131	98	143	100.6	87.9

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

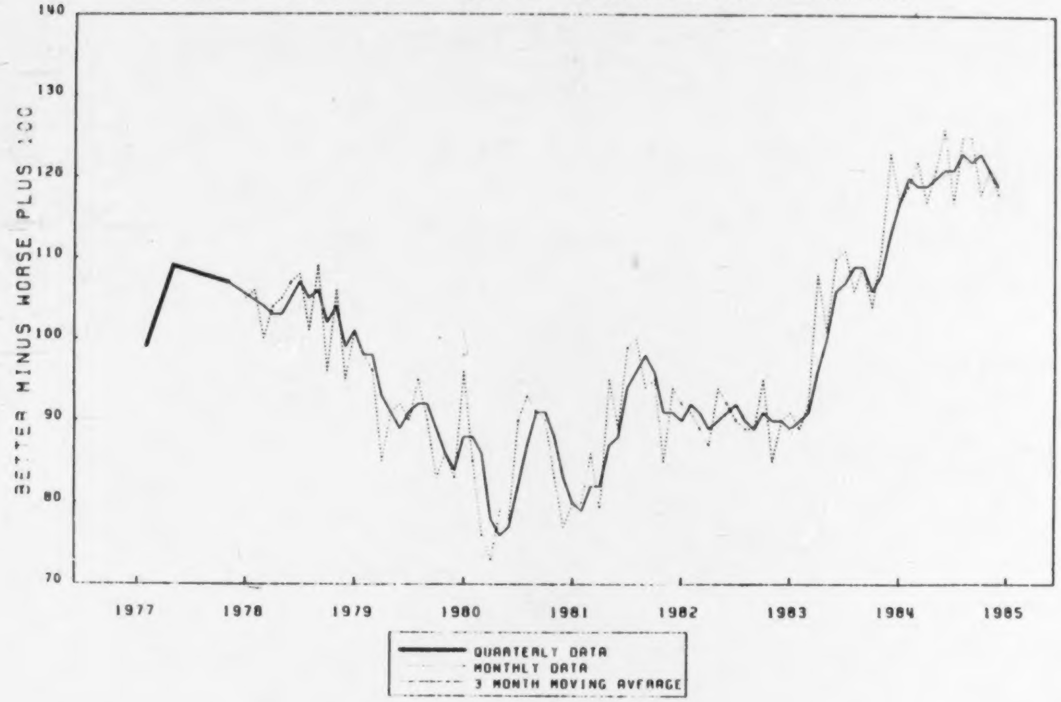


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

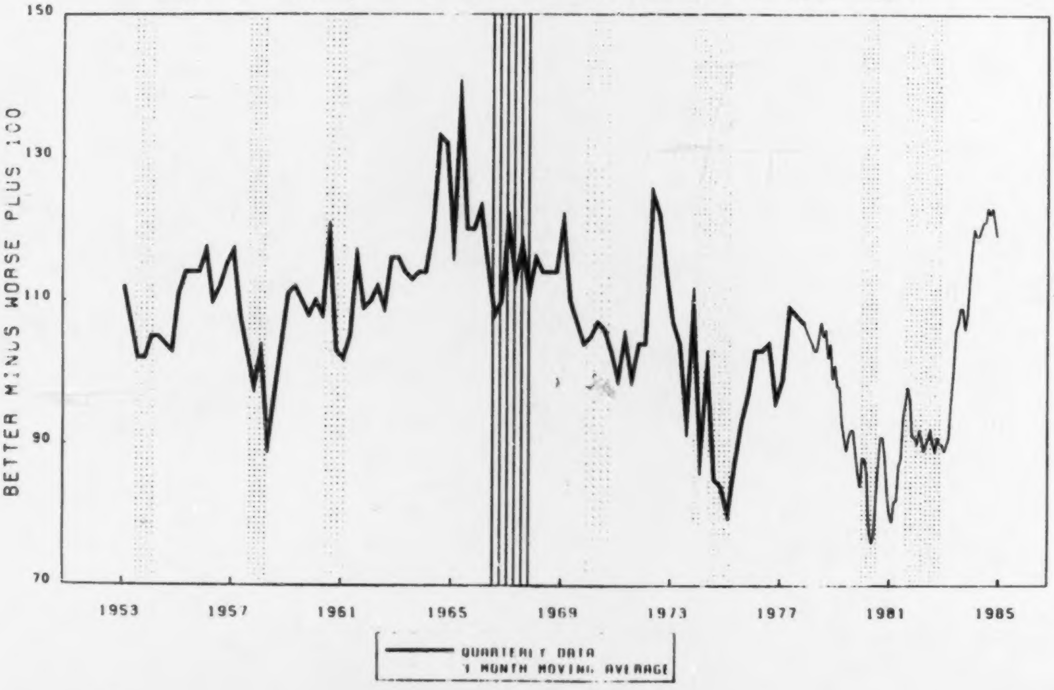


TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
BETTER OFF	45%	42%	44%	48%	43%	44%	47%	42%	48%	45%	44%	46%	44%
SAME	33	32	31	26	30	33	31	33	29	35	30	29	30
WORSE OFF	22	25	25	26	26	23	21	25	23	20	26	25	26
DK,NA	*	1	*	*	1	*	1	*	*	*	*	*	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES

REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION:

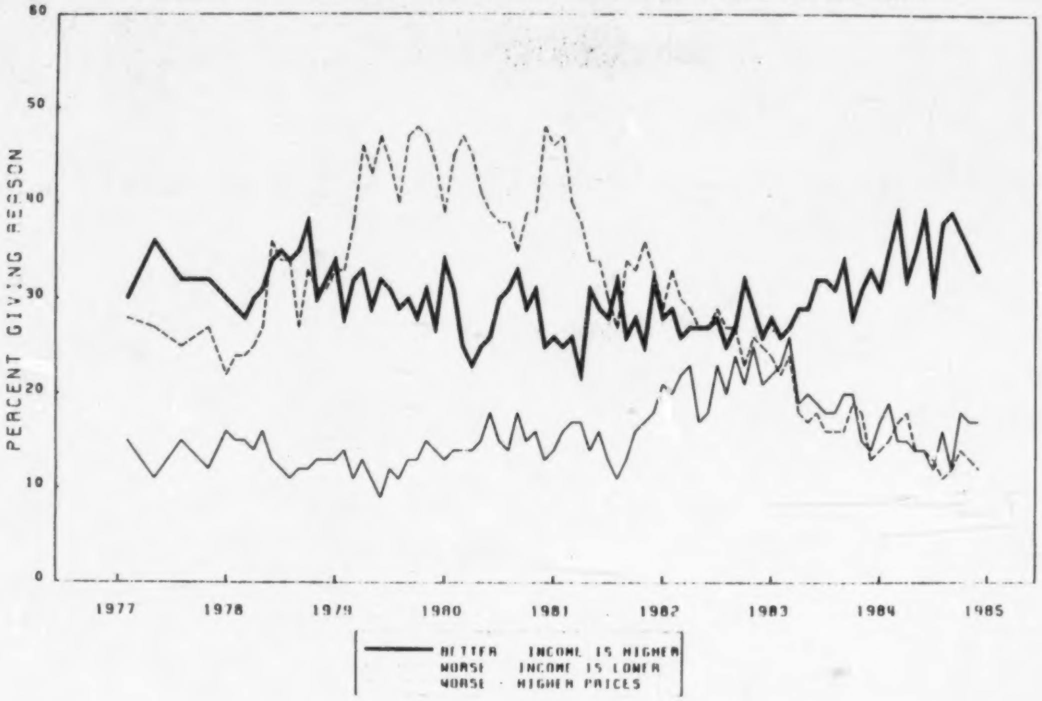


CHART 5 - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

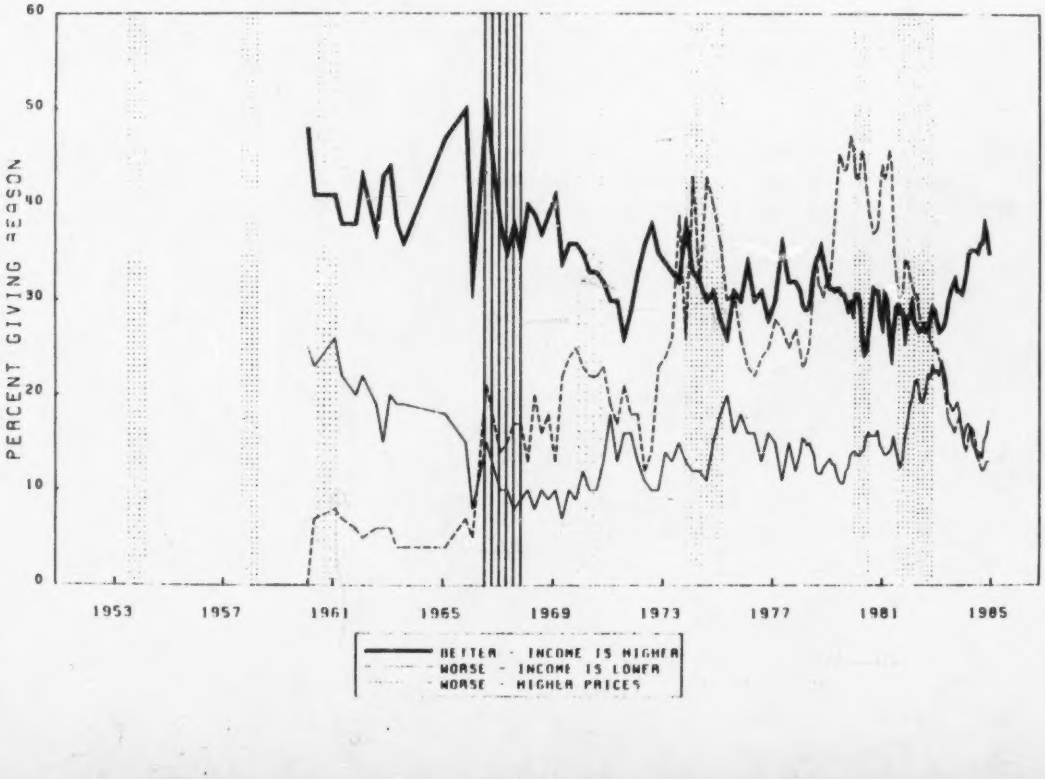


TABLE 5

SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
BETTER OFF THAN YEAR AGO:													
Income is higher	33%	31%	35%	39%	32%	35%	39%	31%	38%	39%	37%	35%	33%
WORSE OFF THAN YEAR AGO:													
Income is lower	14	17	19	15	15	14	14	12	16	12	18	17	17
Higher prices	13	14	15	17	18	14	14	13	11	12	14	13	12

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

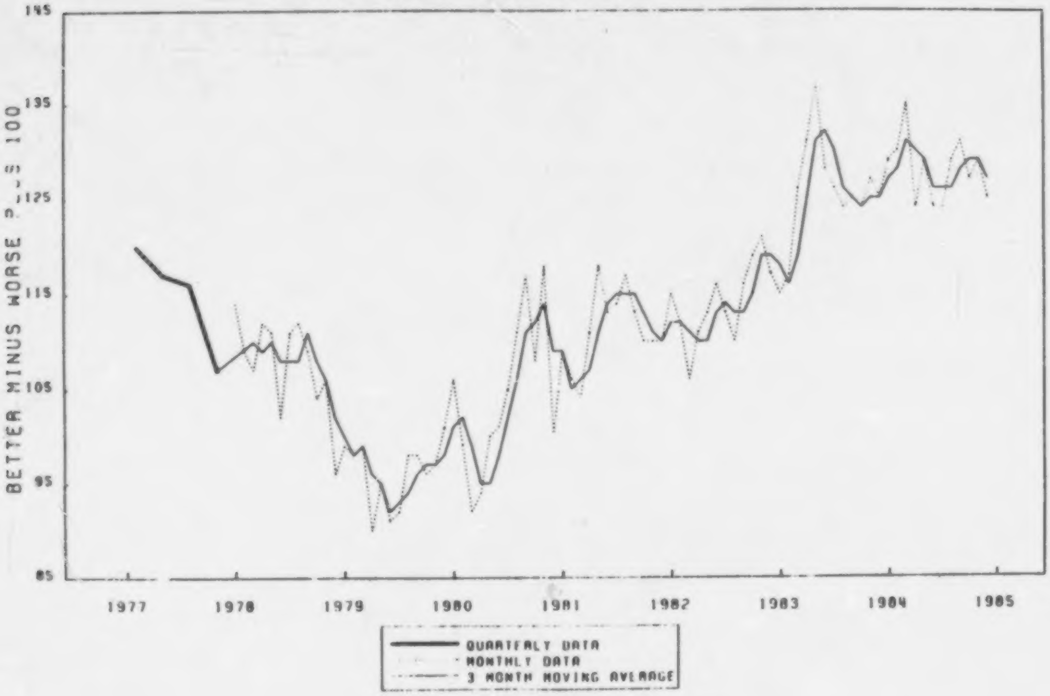


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION

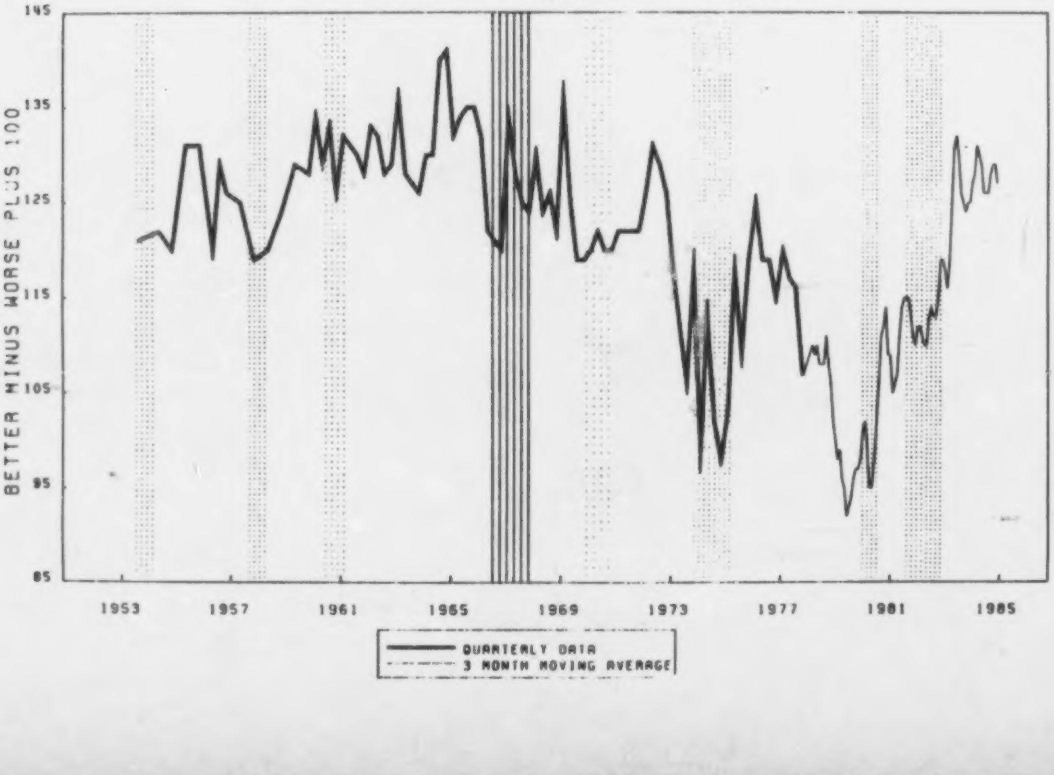


TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
BETTER OFF	35%	38%	41%	44%	37%	40%	35%	34%	38%	39%	38%	39%	36%
SAME	51	50	44	44	48	47	52	51	49	49	47	48	50
WORSE OFF	10	9	11	9	13	11	11	10	9	8	11	10	11
DK,NA	4	3	4	3	2	2	2	5	4	4	4	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 · RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

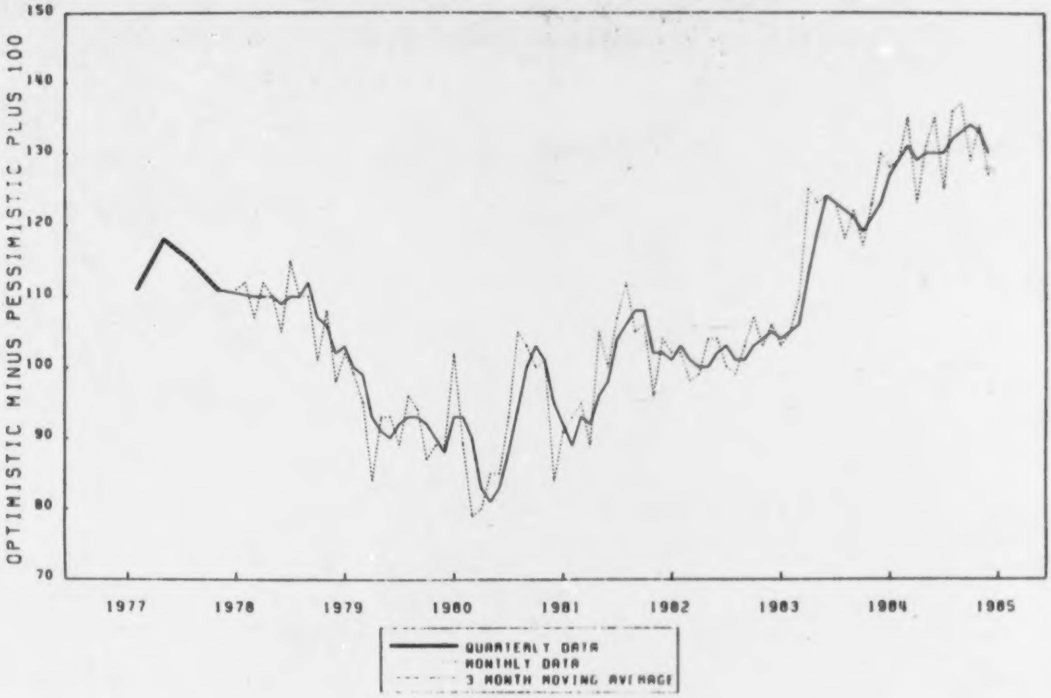


CHART 7 · HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION

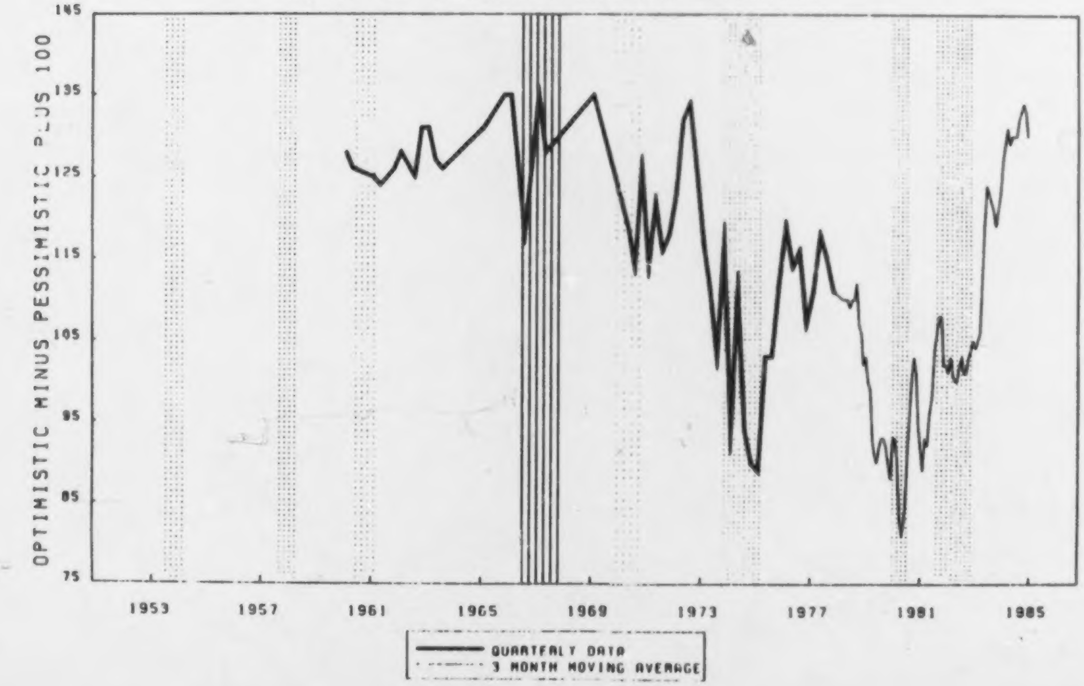


TABLE 7

TREND IN PERSONAL FINANCIAL SITUATION

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
PERSONAL FINANCIAL PROGRESS:													
Continuous increase (a)	22%	22%	24%	27%	23%	23%	20%	22%	24%	25%	21%	21%	23%
Intermittent increase (b)	26	26	25	27	22	24	32	24	30	28	28	32	25
Remain unchanged (c)	22	18	17	14	19	21	19	21	17	20	17	15	19
Intermittent decline (d)	13	16	16	14	16	12	12	16	13	12	15	14	15
Continuous decline (e)	5	4	4	5	6	4	5	5	5	4	5	5	6
Mixed change (f)	8	10	10	10	11	14	10	7	8	7	10	10	9
DK,NA	4	4	4	3	3	2	2	5	3	4	4	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME

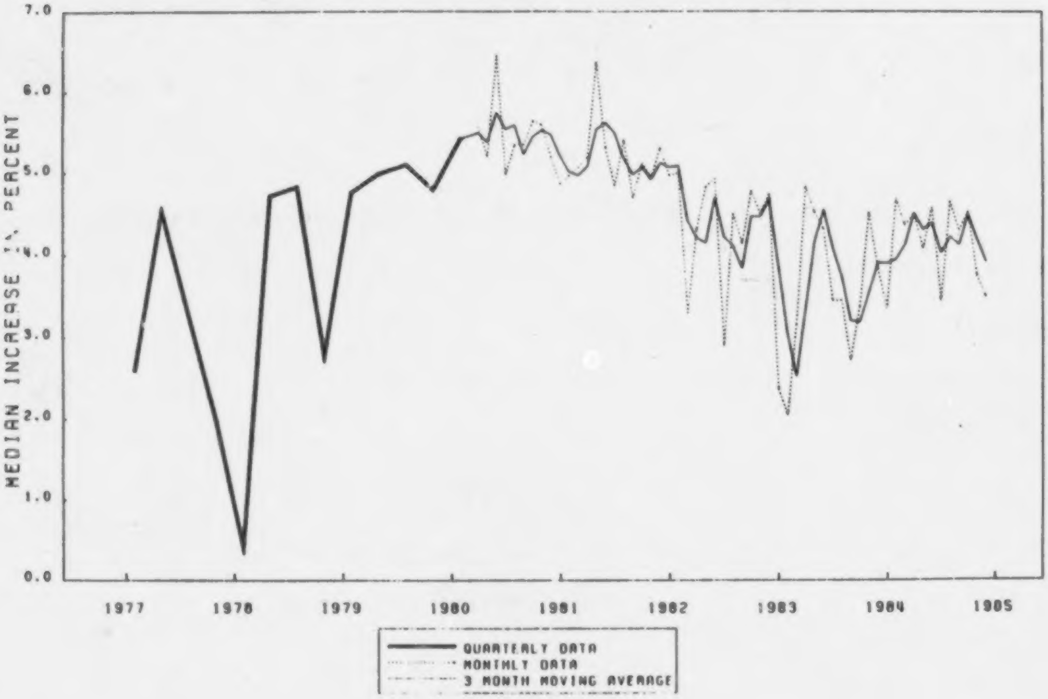


TABLE 8

EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
EXPECT INCREASE:													
1-4%	12%	15%	13%	14%	11%	11%	12%	17%	13%	15%	10%	13%	12%
5%	10	11	13	9	11	9	11	12	11	10	10	9	10
6-9%	10	8	10	8	8	7	12	8	11	10	8	7	8
10-24%	16	16	19	18	18	21	17	17	18	18	20	19	17
25% or more	7	7	6	11	8	8	7	6	7	7	8	8	7
DK how much up	5	4	4	6	5	6	3	4	3	4	5	6	7
EXPECT SAME	26	27	22	26	22	26	24	23	24	23	25	23	23
EXPECT DOWN	12	10	11	7	15	11	11	11	11	11	12	13	15
DK,NA	2	2	2	1	2	1	3	2	2	2	2	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES

INCOME OR PRICES UP MORE DURING THE LAST YEAR

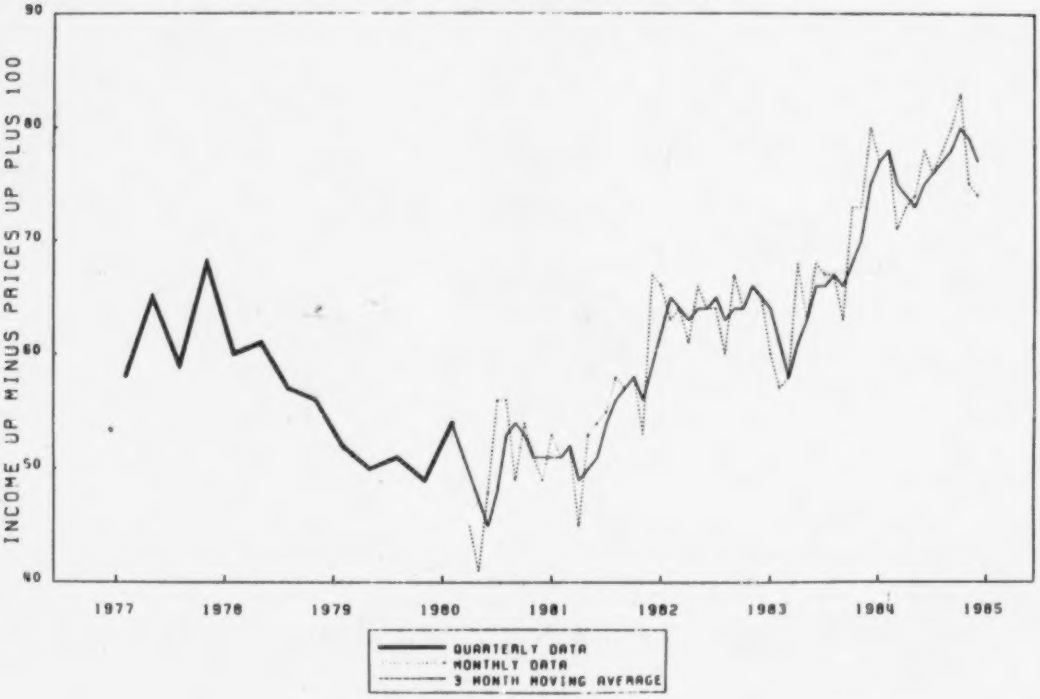


TABLE 9

PAST CHANGE IN REAL FAMILY INCOME

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
INCOME UP MORE	23%	23%	22%	20%	20%	20%	21%	21%	21%	22%	25%	21%	19%
INCOME UP SAME	32	29	32	30	32	33	34	33	34	36	31	31	35
PRICES UP MORE	43	46	44	49	47	46	43	45	43	42	42	46	45
DK,NA	2	2	2	1	1	1	2	1	2	*	2	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

* : Less than half of one percent.

CHART 10 - RECENT CHANGES
INCOME OR PRICES UP MORE NEXT YEAR

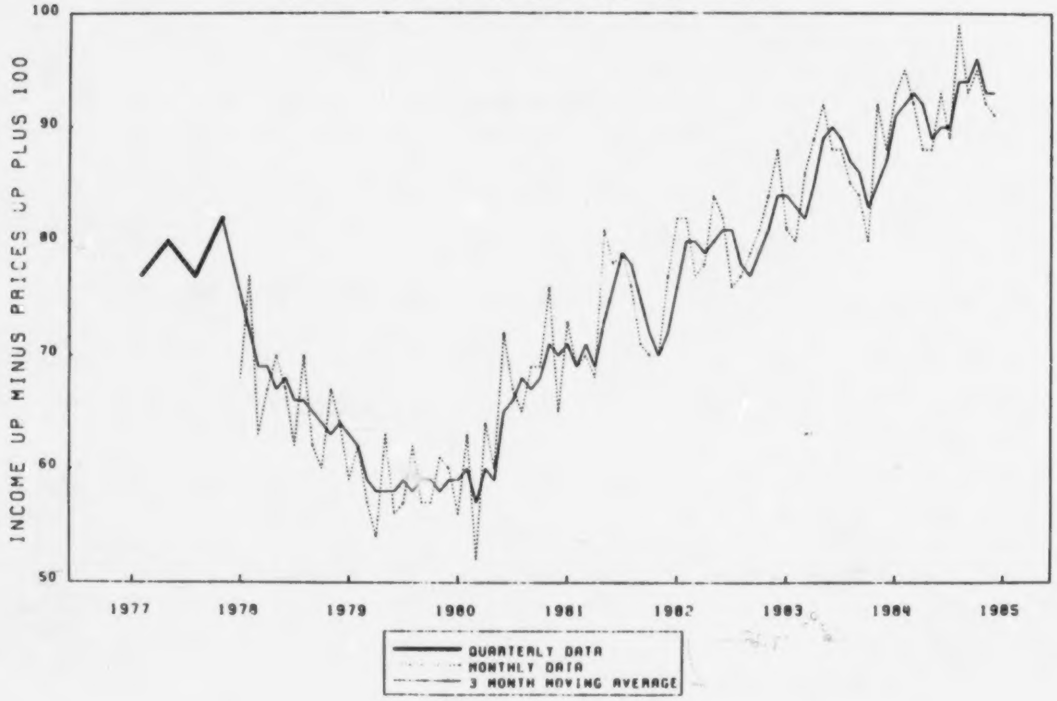


TABLE 10

EXPECTED CHANGE IN REAL FAMILY INCOME

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
INCOME UP MORE	20%	23%	24%	23%	21%	22%	22%	22%	25%	23%	25%	23%	21%
INCOME UP SAME	45	45	45	44	43	42	47	41	45	44	43	44	46
PRICES UP MORE	32	30	29	31	33	34	29	33	26	30	30	31	30
DK,NA	3	2	2	2	3	2	2	4	4	3	2	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON

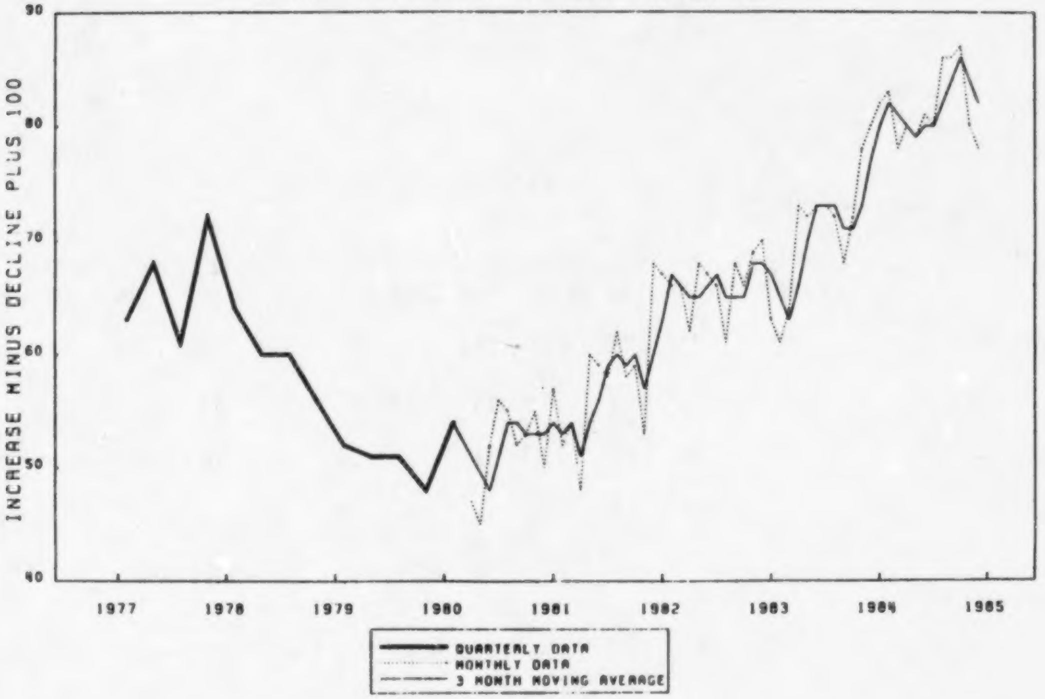


TABLE 11

TREND IN FAMILY INCOME AND PRICES COMPARISONS

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
REAL INCOME PROGRESS:													
Continuous increase (a)	12%	12%	13%	12%	10%	9%	11%	10%	12%	12%	14%	12%	10%
Intermittent increase (b)	14	14	13	12	14	17	13	14	15	16	14	14	12
Remain unchanged (c)	19	19	20	20	21	17	22	20	21	22	20	19	23
Intermittent decline (d)	23	21	22	20	18	22	23	20	22	20	18	22	22
Continuous decline (e)	23	23	21	26	26	25	20	24	19	22	23	24	22
Mixed change (f)	6	8	6	8	7	7	8	8	6	5	7	6	8
DK,NA	3	3	5	2	4	3	3	4	5	3	4	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART 12 - RECENT CHANGES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

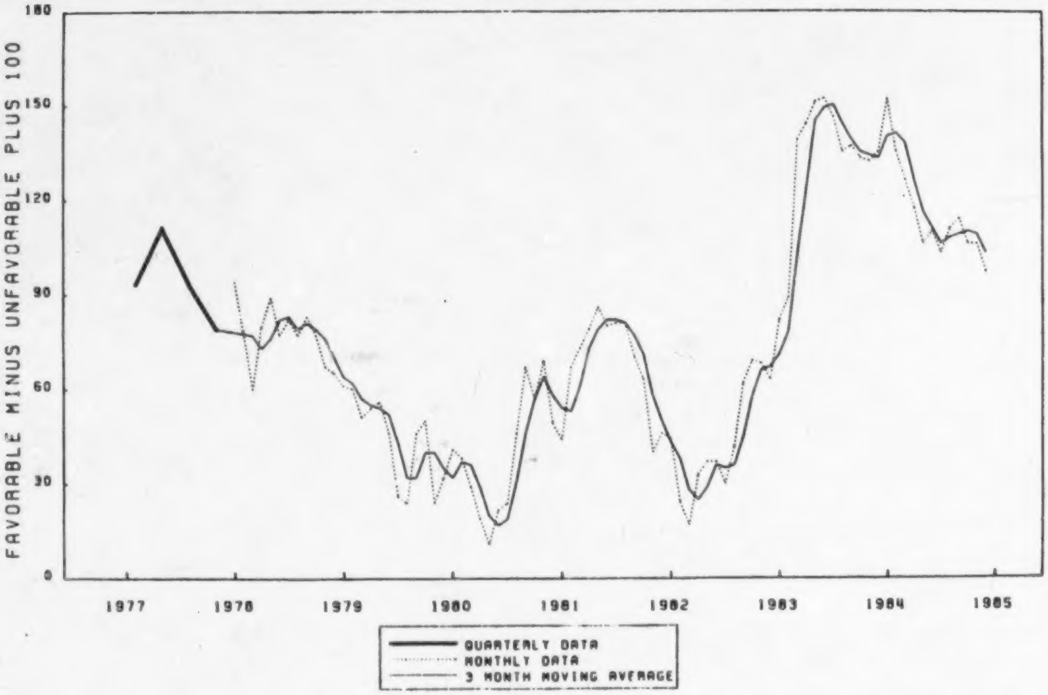


CHART 12 - HISTORICAL SERIES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

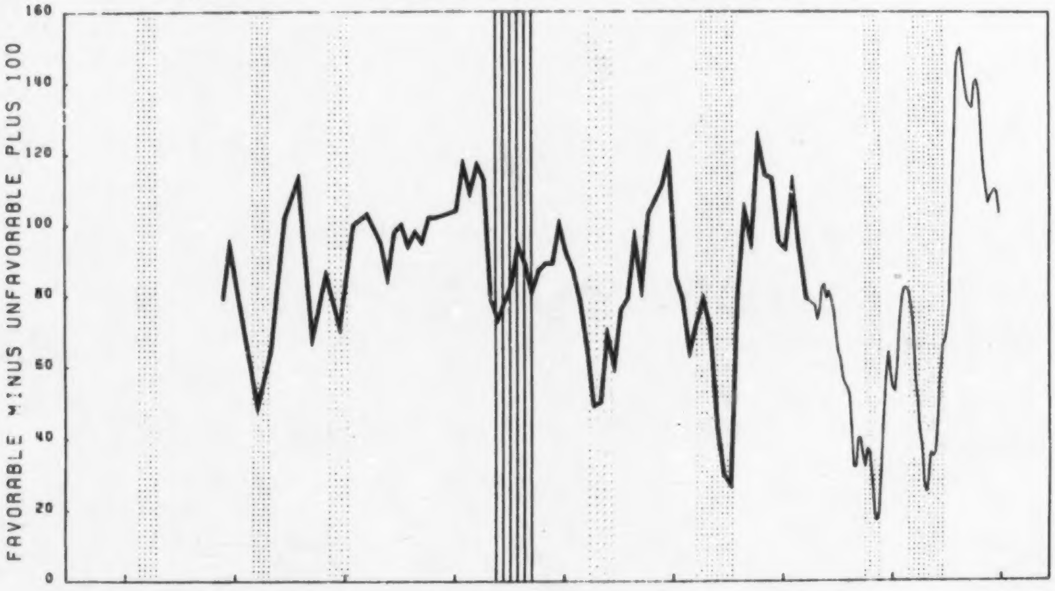


TABLE 12

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
FAVORABLE NEWS	60%	78%	66%	58%	49%	47%	50%	42%	51%	52%	44%	41%	39%
UNFAVORABLE NEWS	25	26	31	32	32	41	40	39	40	38	38	35	42
NO MENTIONS	42	33	38	43	46	41	41	46	39	41	44	49	46

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

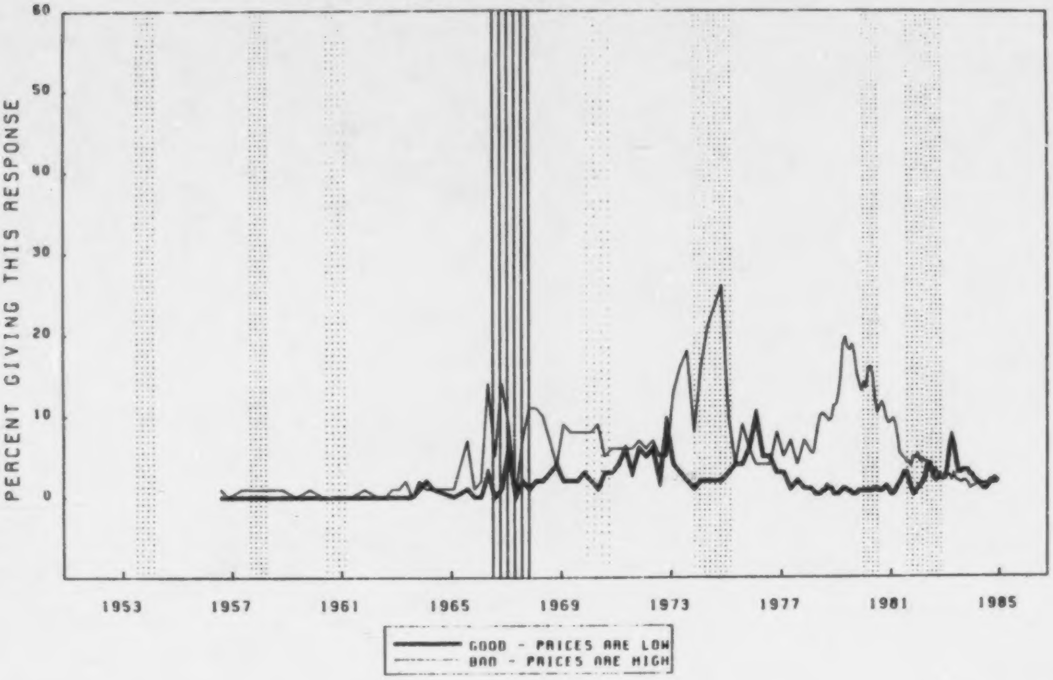


CHART 13B - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

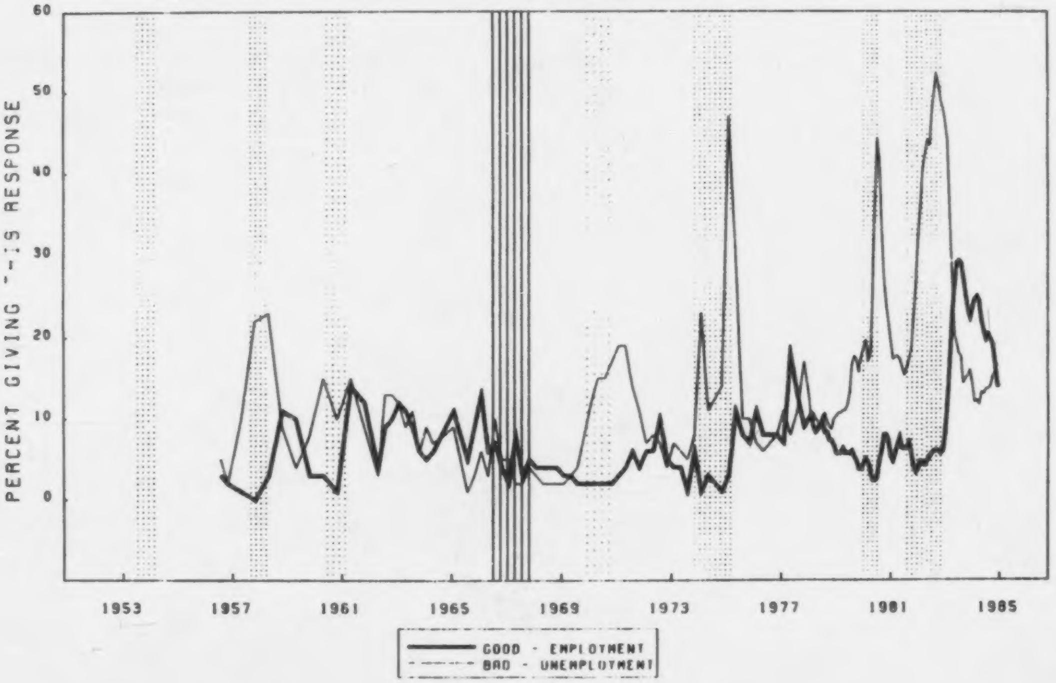


TABLE 13

SELECTED ITEMS OF NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
FAVORABLE NEWS:													
Government; elections	1%	3%	2%	1%	1%	1%	2%	2%	2%	3%	1%	2%	3%
Employment	22	27	25	25	23	18	21	20	20	19	18	13	11
Consumer demand high	12	18	15	10	8	10	8	4	7	7	5	4	5
Prices are low	2	3	1	2	1	1	1	1	2	3	1	3	2
Credit is easy	4	5	4	5	4	2	3	2	4	3	4	8	9
UNFAVORABLE NEWS:													
Government; elections	3	2	5	4	2	3	2	4	4	4	3	3	6
Unemployment	13	13	10	14	11	15	13	13	15	14	17	16	17
Consumer demand low	*	2	1	1	*	2	1	2	2	2	1	2	3
Prices are high	1	2	1	2	1	2	2	1	2	2	1	2	2
Credit is tight	2	1	2	3	9	10	12	13	9	6	5	3	2
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

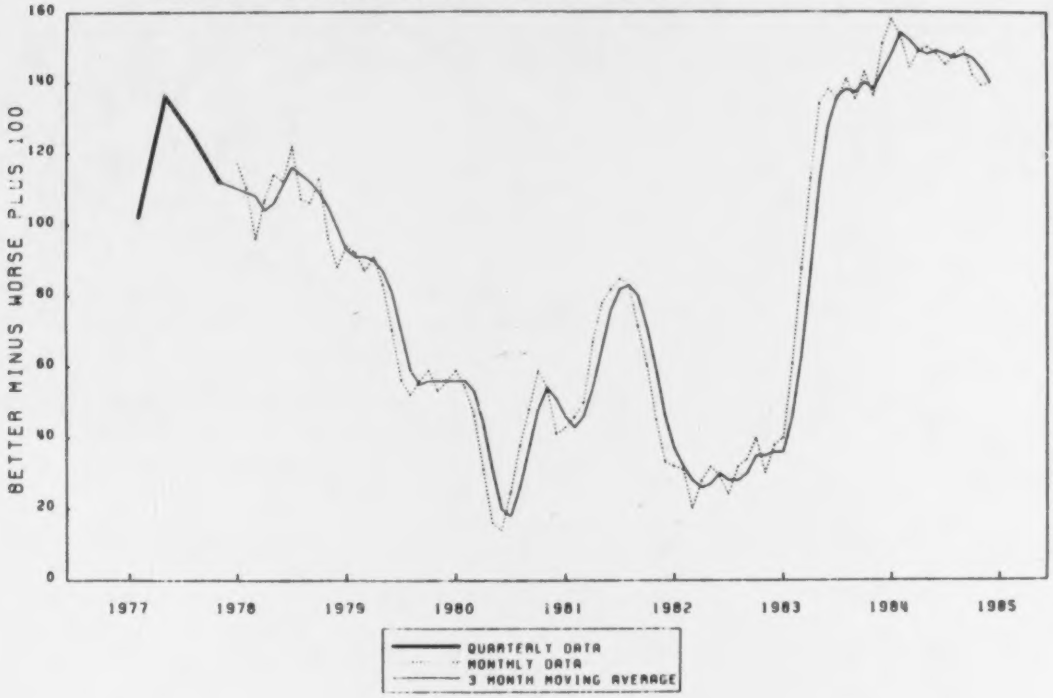


CHART 14 - HISTORICAL SERIES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

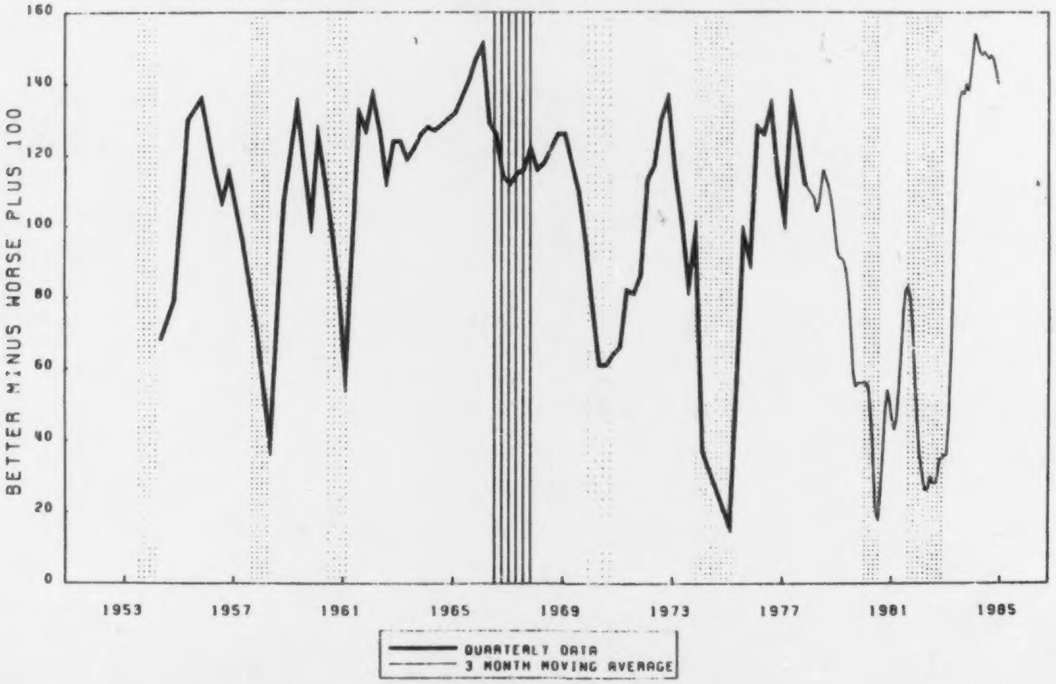


TABLE 14

CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
BETTER NOW	71%	75%	72%	67%	68%	70%	67%	67%	68%	68%	65%	63%	63%
SAME	8	6	8	9	11	9	12	9	11	12	10	12	13
WORSE NOW	20	17	19	23	19	20	19	22	20	18	23	24	23
DK,NA	1	2	1	1	2	1	2	2	1	2	2	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

CHART 15 - RECENT CHANGES

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

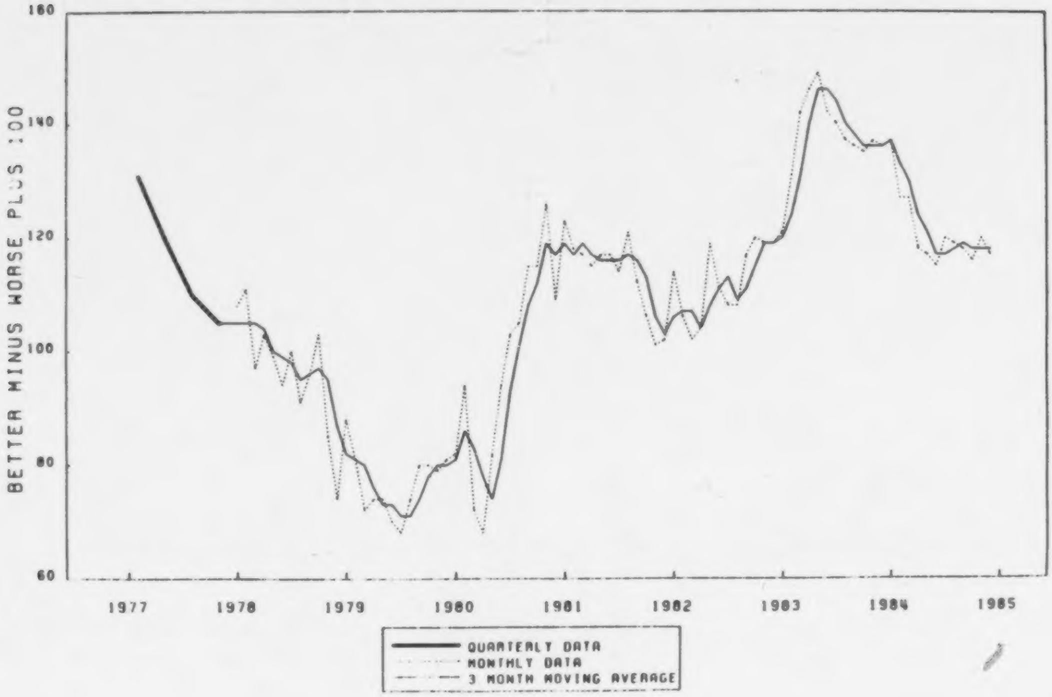


CHART 15 - HISTORICAL SERIES

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

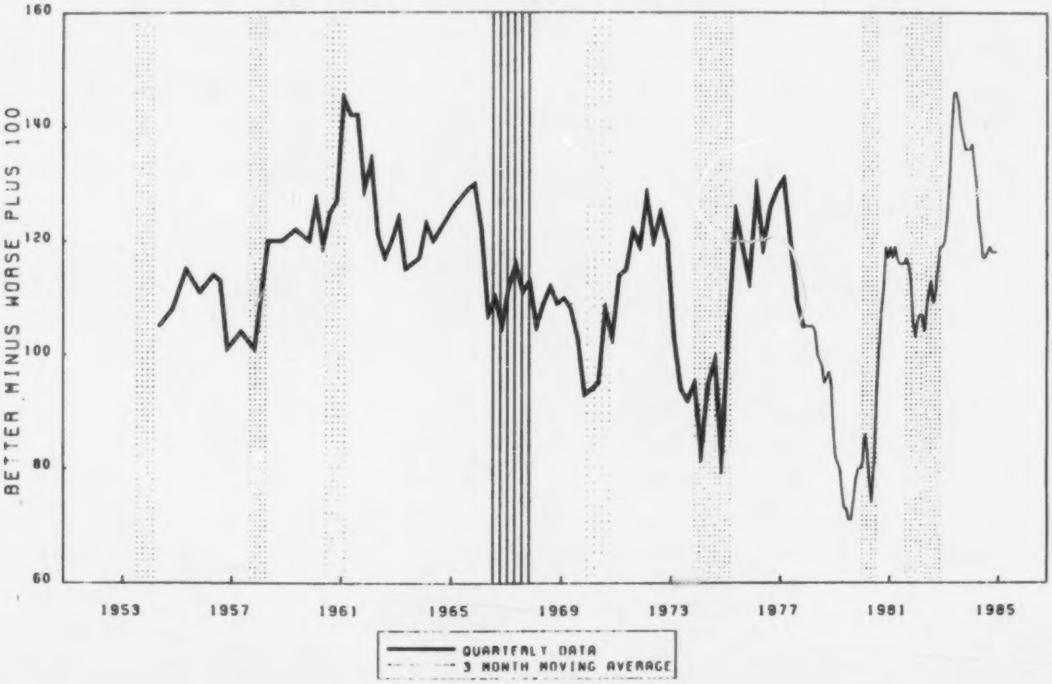


TABLE 15

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
BETTER	44%	46%	38%	38%	32%	31%	30%	32%	33%	33%	32%	35%	33%
SAME	45	43	48	49	52	53	53	51	49	48	49	48	47
WORSE	8	9	11	11	14	14	15	12	14	15	16	15	16
DK,NA	3	2	3	2	2	2	2	5	4	4	3	2	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

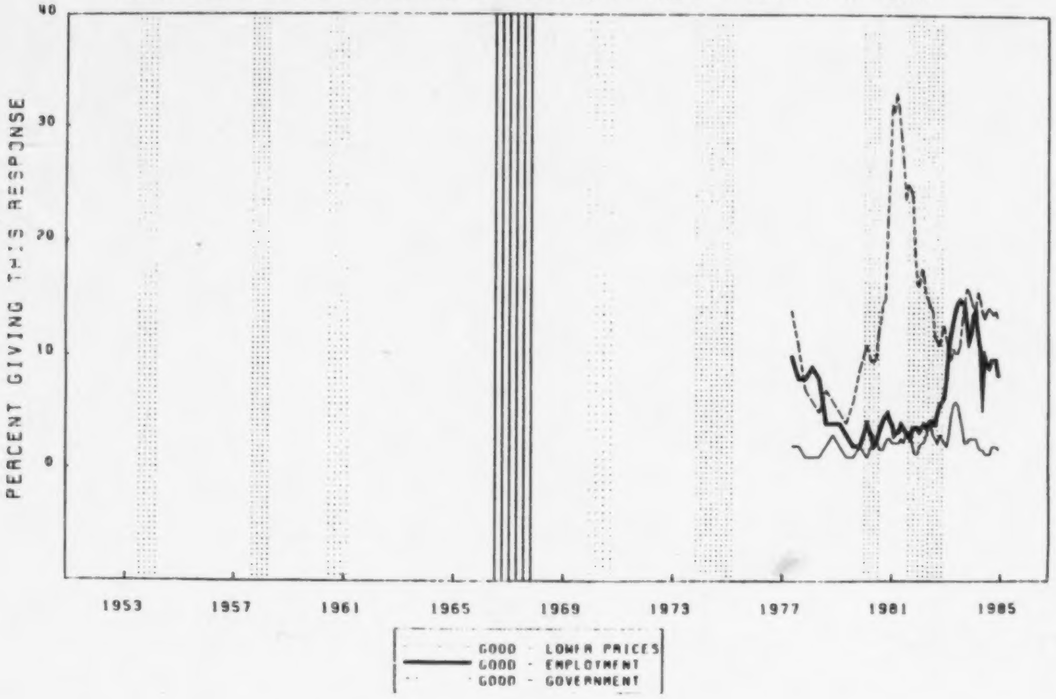


CHART 16B HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

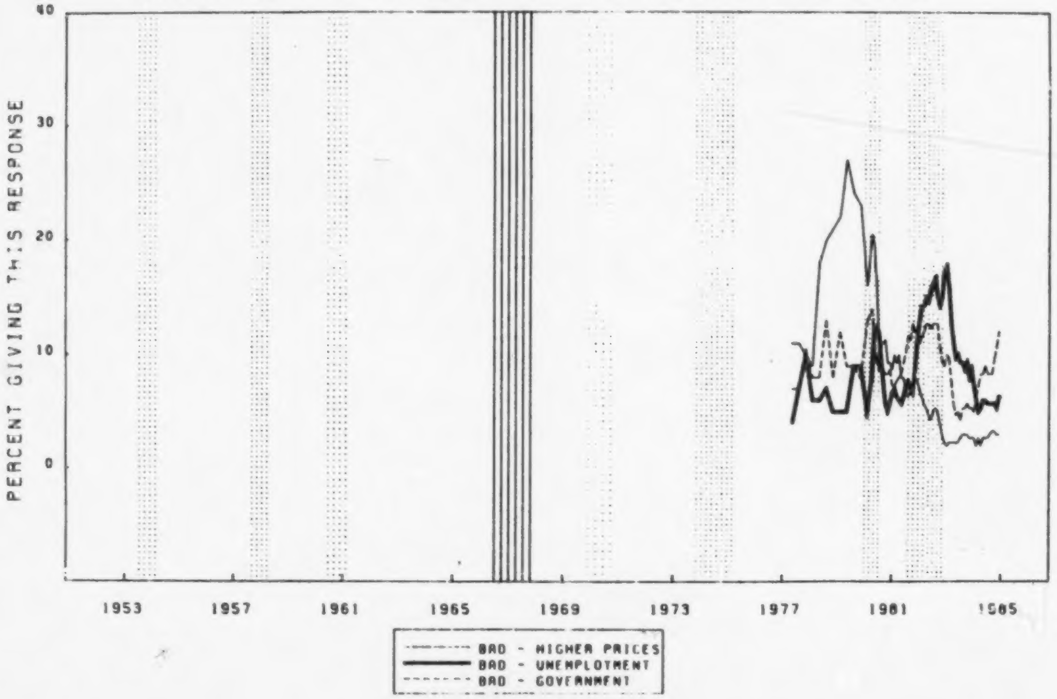


TABLE 16

REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
FAVORABLE REASONS:													
Government; elections	13%	15%	15%	17%	13%	12%	15%	15%	13%	14%	14%	14%	12%
Employment	16	15	11	10	11	9	10	9	8	12	9	8	8
Higher consumer demand	8	8	5	4	4	5	4	5	5	2	2	5	4
Lower prices	3	3	1	2	1	2	1	1	2	3	1	2	2
Easier credit	4	3	4	2	2	2	2	4	4	4	3	5	6
UNFAVORABLE REASONS:													
Government; elections	6	4	9	9	7	9	11	5	9	11	9	12	15
Unemployment	8	6	4	5	7	6	5	6	6	5	6	5	8
Lower consumer demand	2	2	1	1	2	2	2	2	3	2	2	3	4
Higher prices	2	3	1	3	2	3	2	3	4	3	3	3	3
Tighter credit	1	2	4	2	7	7	8	7	5	4	4	3	3
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

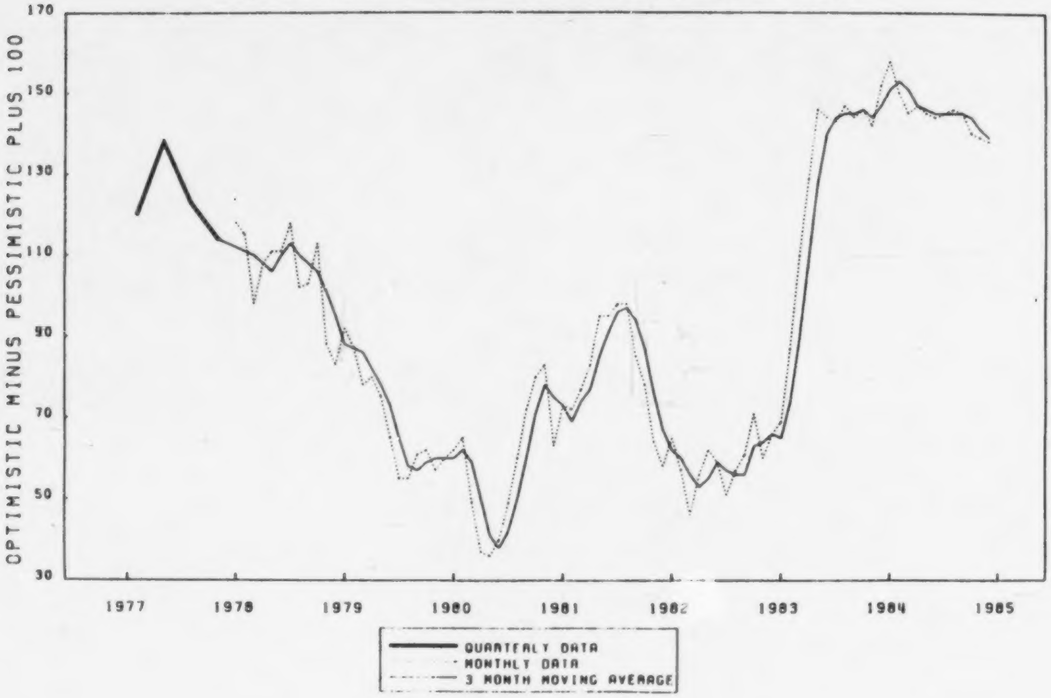


CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

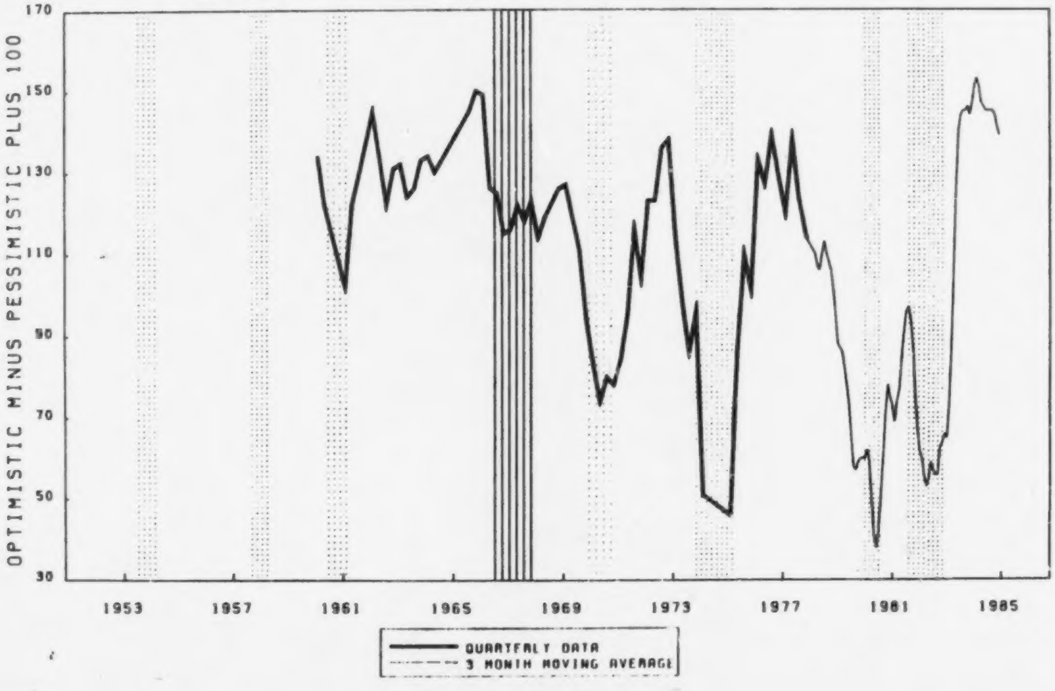


TABLE 17

TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
TREND:													
Continuous increase (a)	38%	41%	32%	31%	25%	27%	25%	25%	25%	27%	24%	28%	27%
Intermittent increase (b)	30	31	34	32	39	36	37	38	36	35	36	32	32
Remain unchanged (c)	6	4	5	6	7	7	7	4	6	6	5	6	7
Intermittent decline (d)	12	10	12	14	10	13	11	12	10	11	12	14	13
Continuous decline (e)	4	4	4	4	7	5	7	6	5	6	8	7	8
Mixed change (f)	7	7	10	10	9	10	9	9	12	10	10	9	9
DK,NA	3	3	3	3	3	2	4	6	6	5	5	4	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

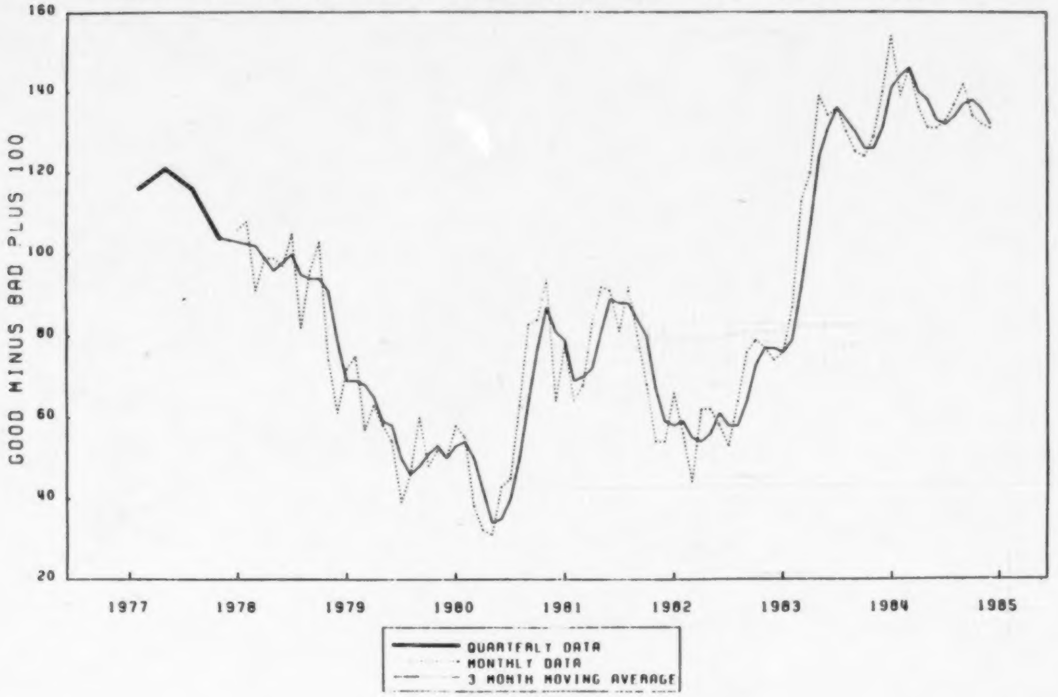


CHART 18 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

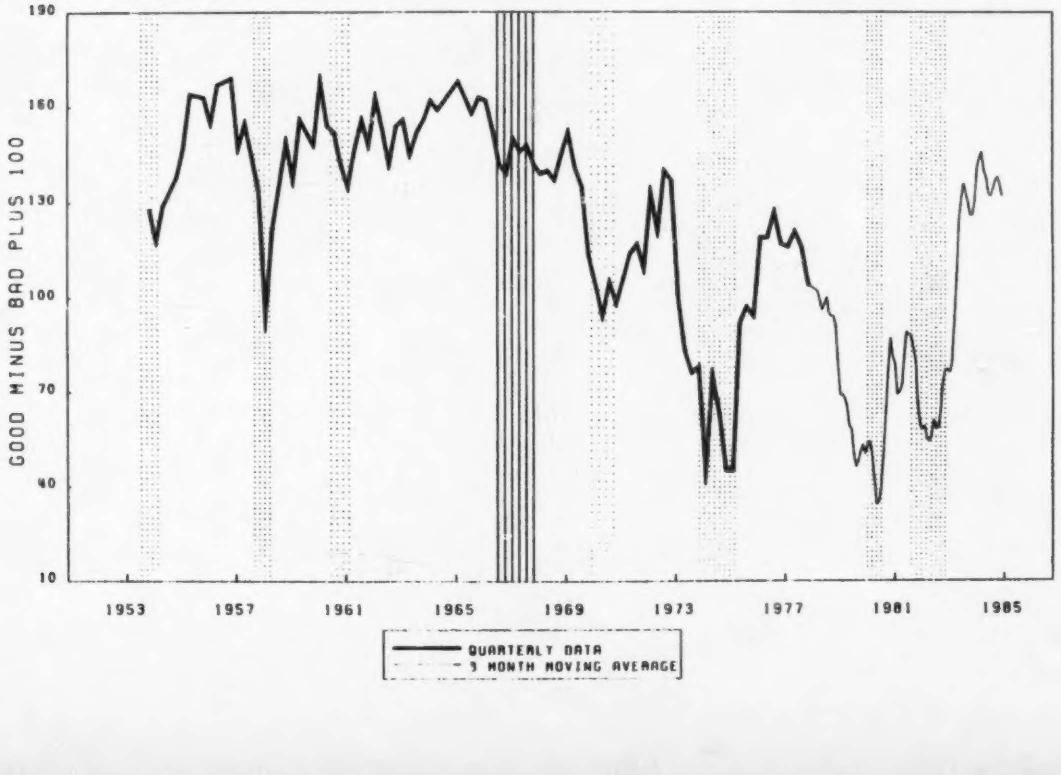


TABLE 18

BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
GOOD TIMES	67%	73%	65%	69%	63%	60%	60%	61%	62%	66%	60%	59%	59%
UNCERTAIN; GOOD & BAD	2	2	2	2	3	3	2	2	3	3	4	3	3
BAD TIMES	27	19	26	23	27	29	29	28	25	24	26	27	28
DON'T KNOW	3	5	5	4	5	5	6	6	7	6	6	7	7
NOT ASCERTAINED	1	1	2	2	2	3	3	3	3	1	4	4	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

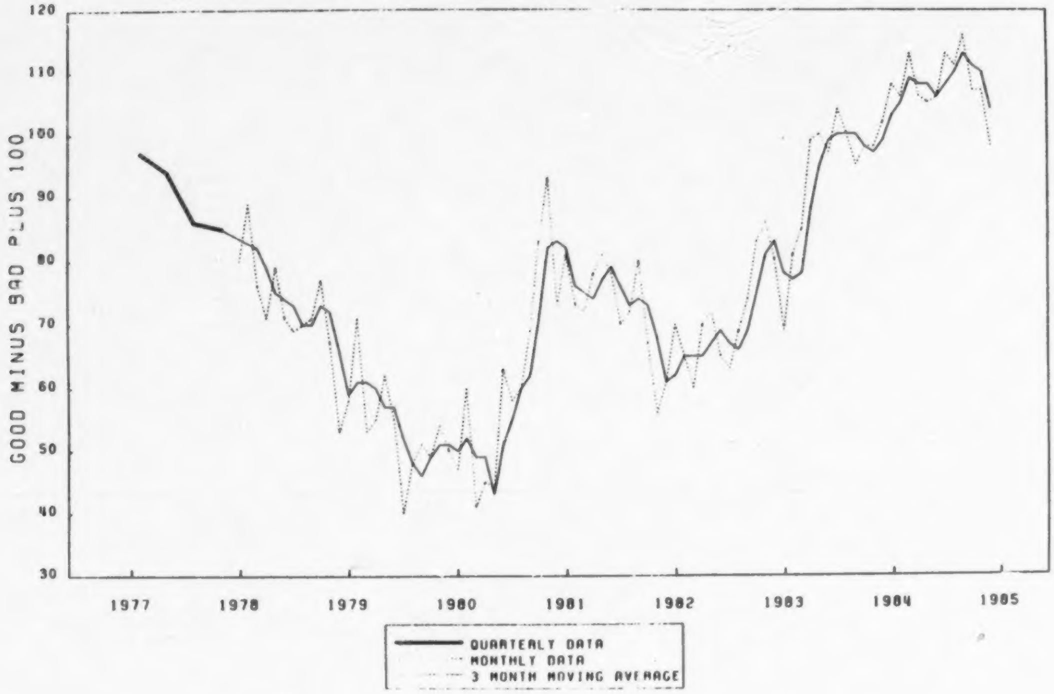


CHART 19 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

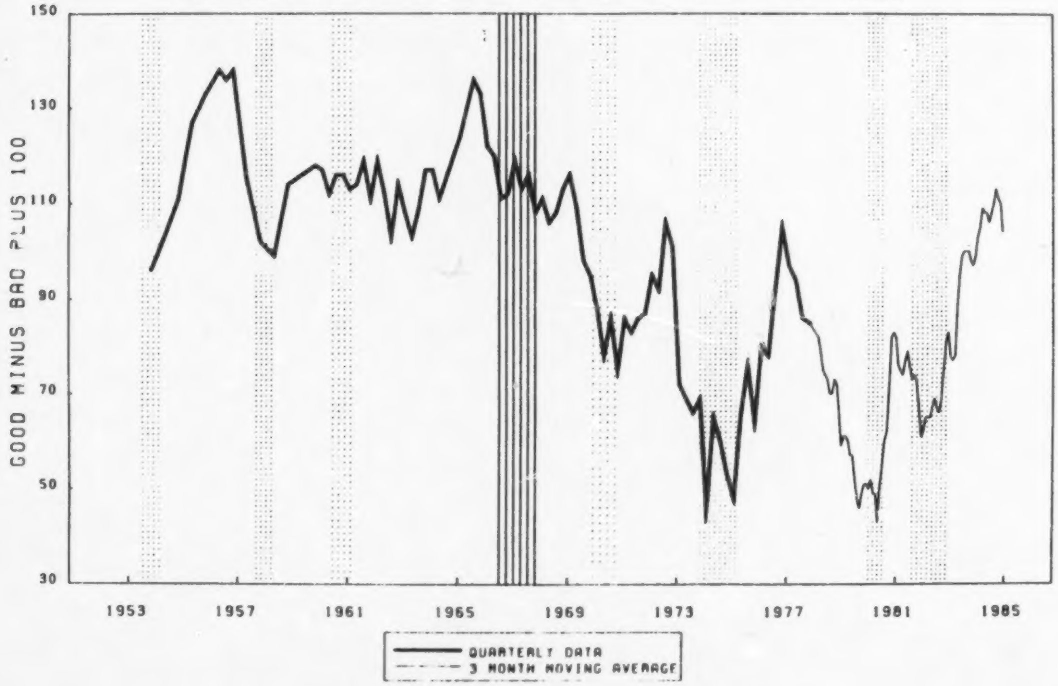


TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
GOOD TIMES	39%	44%	42%	47%	41%	43%	42%	44%	47%	47%	43%	42%	39%
UNCERTAIN; GOOD & BAD	21	17	16	15	19	15	17	19	13	17	17	17	15
BAD TIMES	37	36	36	34	35	38	36	31	36	31	36	35	41
NOT ASCERTAINED	3	3	6	4	5	4	5	6	4	5	4	6	5
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

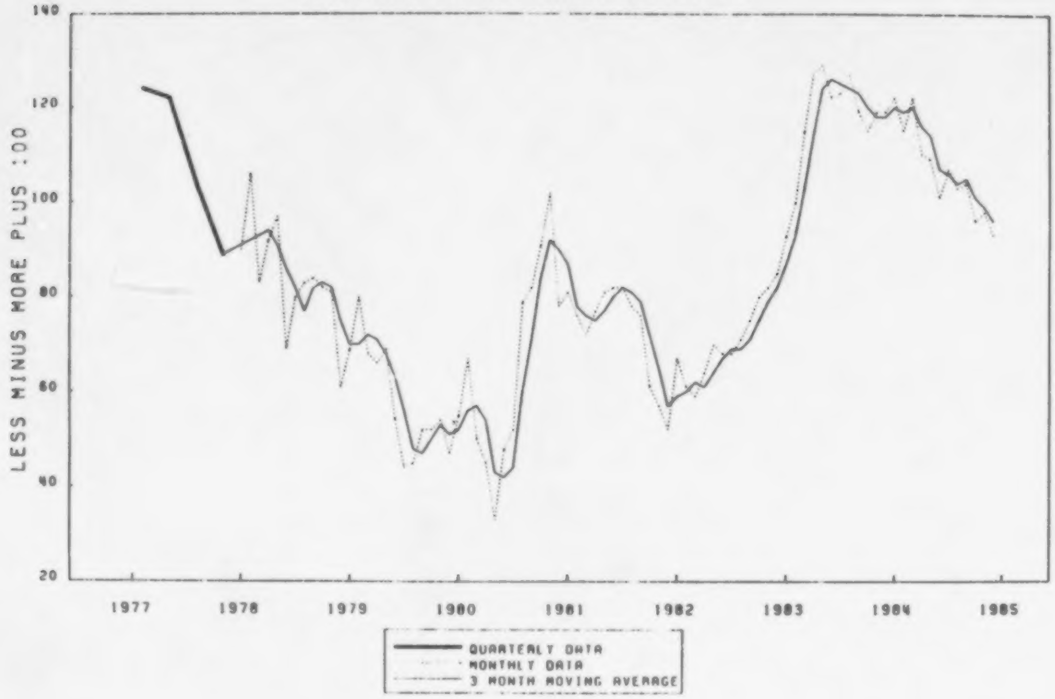


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

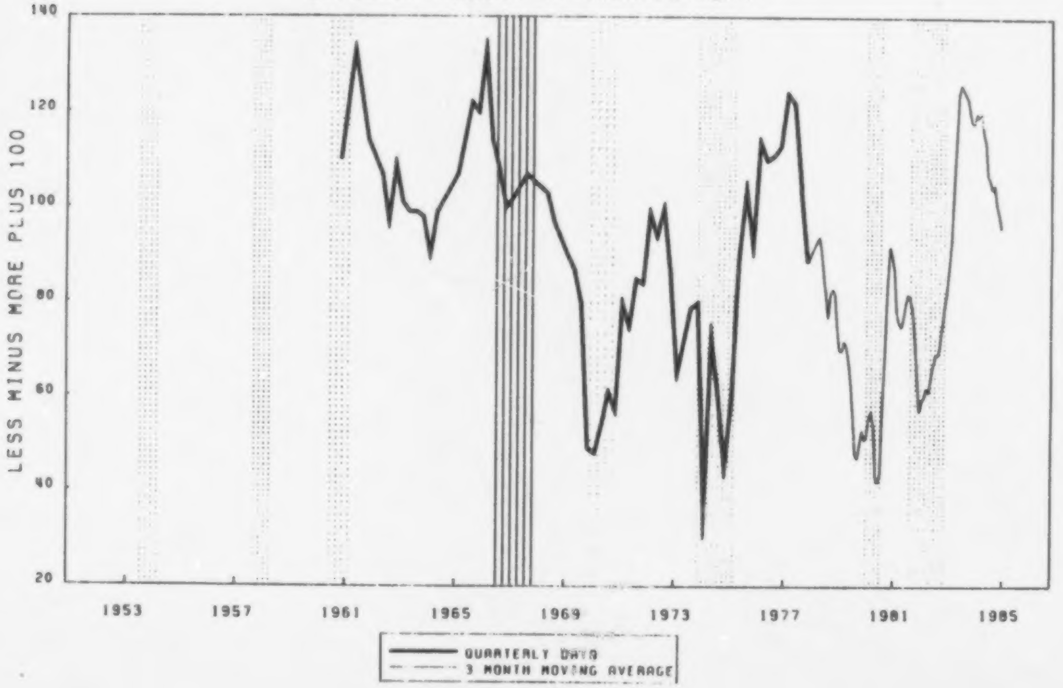


TABLE 20

EXPECTED CHANGE IN UNEMPLOYMENT

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
LESS	36%	36%	31%	38%	28%	29%	24%	26%	24%	26%	20%	22%	21%
SAME	45	48	50	45	52	51	52	53	54	50	54	52	50
MORE	17	14	16	16	18	20	23	19	21	22	24	24	28
DK,NA	2	2	3	1	2	*	1	2	1	2	2	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

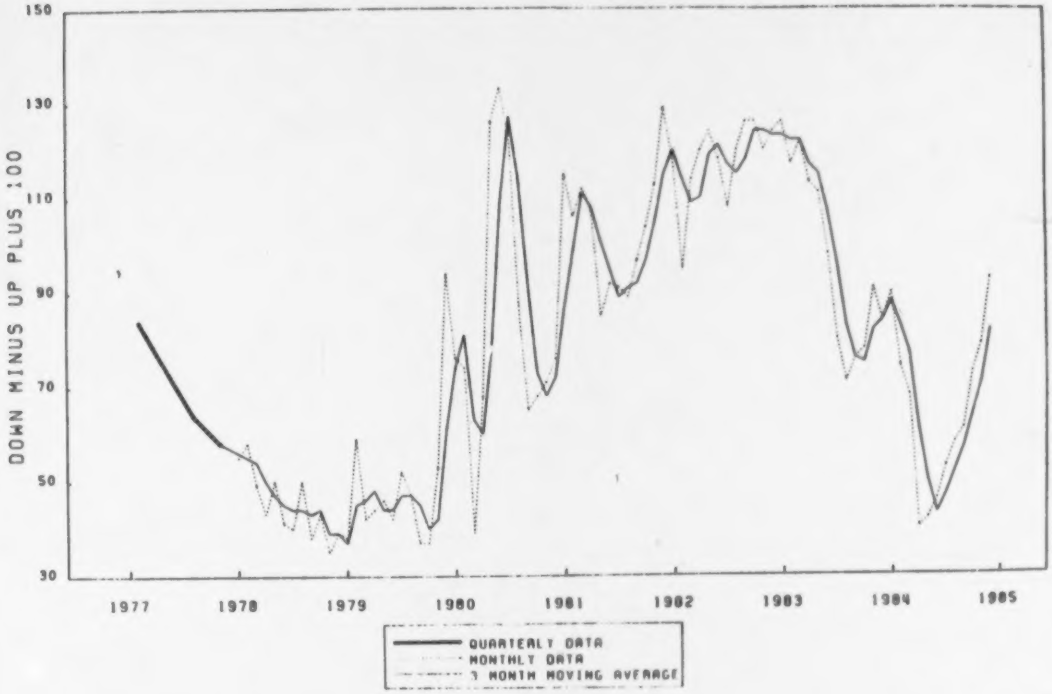


CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

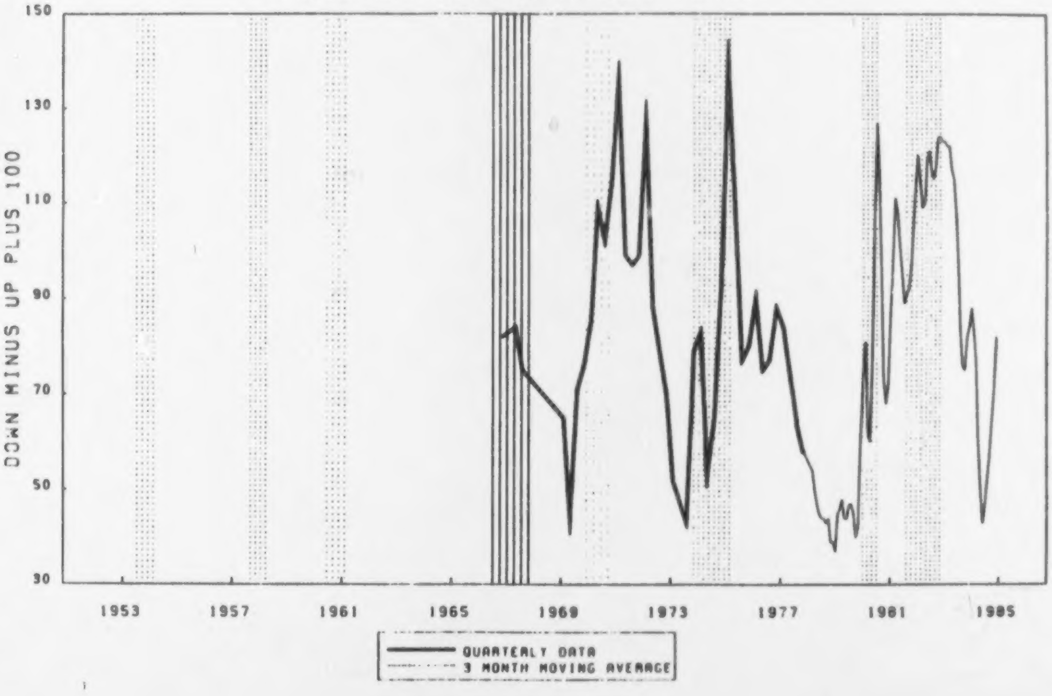


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

TABLE 21

EXPECTED CHANGE IN INTEREST RATES

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
GO UP	37%	32%	42%	45%	68%	66%	64%	58%	55%	52%	45%	44%	37%
STAY THE SAME	37	43	38	37	21	25	24	27	29	32	33	31	30
GO DOWN	21	22	16	13	8	8	10	11	13	13	18	23	30
DK,NA	5	3	4	5	3	1	2	4	3	3	4	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES
CHANGE IN PRICES DURING THE LAST 12 MONTHS

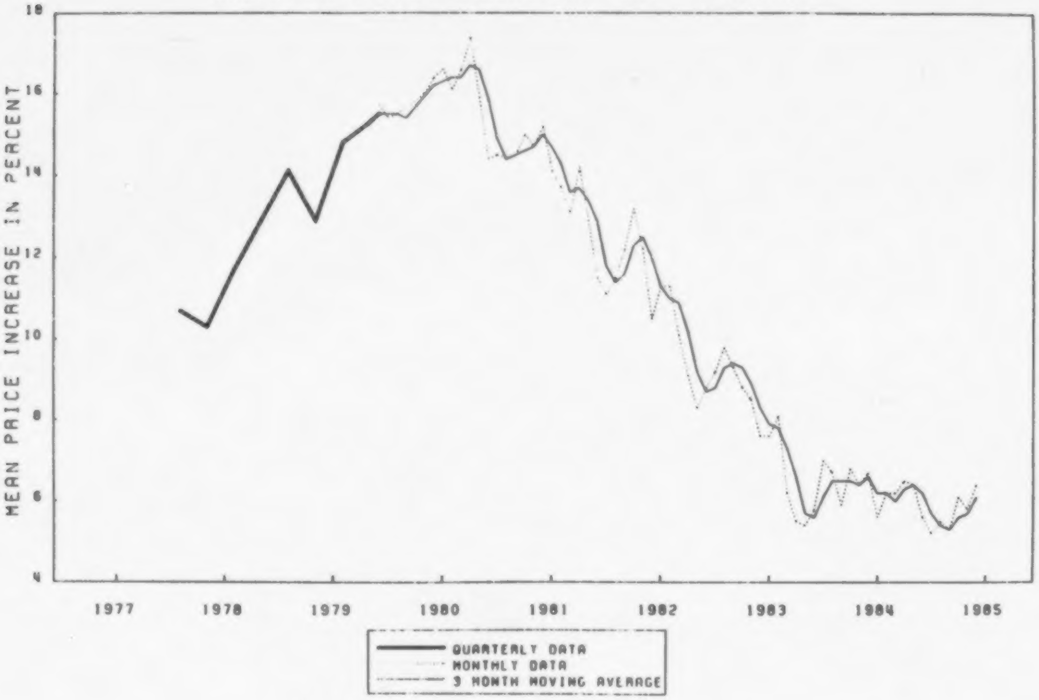


TABLE 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
SAME OR DOWN	24%	23%	23%	23%	22%	23%	22%	27%	29%	29%	28%	27%	24%
GONE UP BY:													
1-2%	8	12	9	8	10	10	12	8	10	9	9	11	9
3-4%	15	16	14	16	14	14	17	17	12	16	15	15	14
5%	15	17	17	15	17	17	16	16	18	16	13	14	18
6-9%	8	8	9	10	11	9	8	8	8	7	7	5	6
10-14%	11	9	14	12	9	13	12	11	11	9	11	11	11
15% or more	10	7	9	9	12	10	8	8	7	8	11	10	10
DK how much up	8	7	5	7	5	4	5	4	5	6	5	6	7
DK,NA	1	1	*	*	*	*	*	1	*	*	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	6.7	5.6	6.2	6.2	6.5	6.4	5.6	5.2	5.5	5.3	6.1	5.8	6.4
VARIANCE	90	69	68	72	75	78	54	48	75	63	84	76	86
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

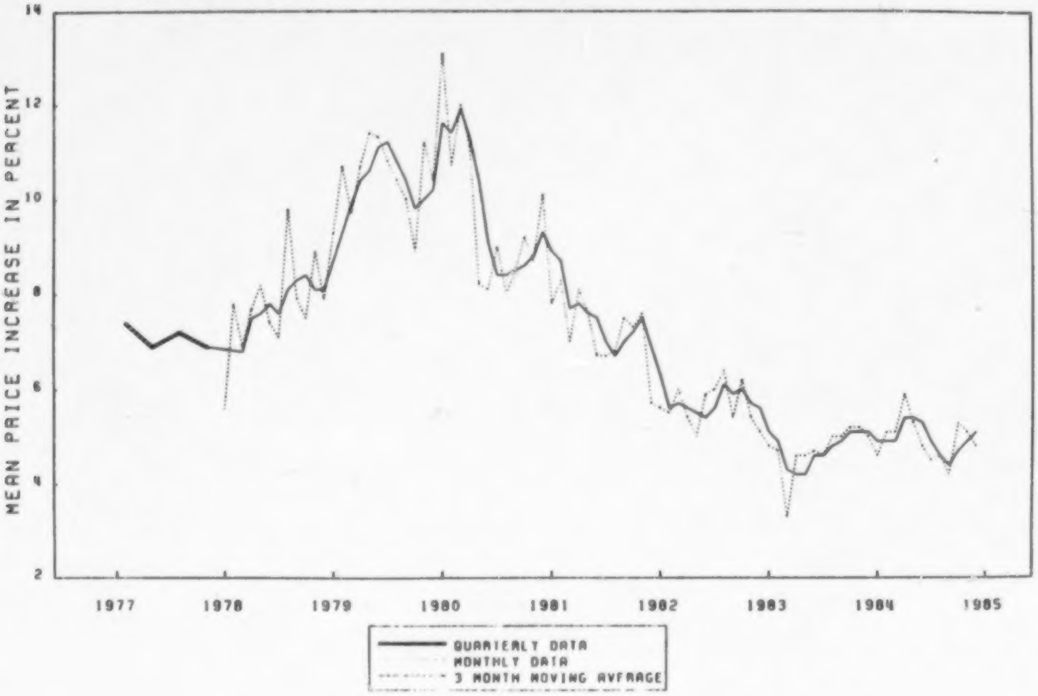


CHART 23 - HISTORICAL SERIES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

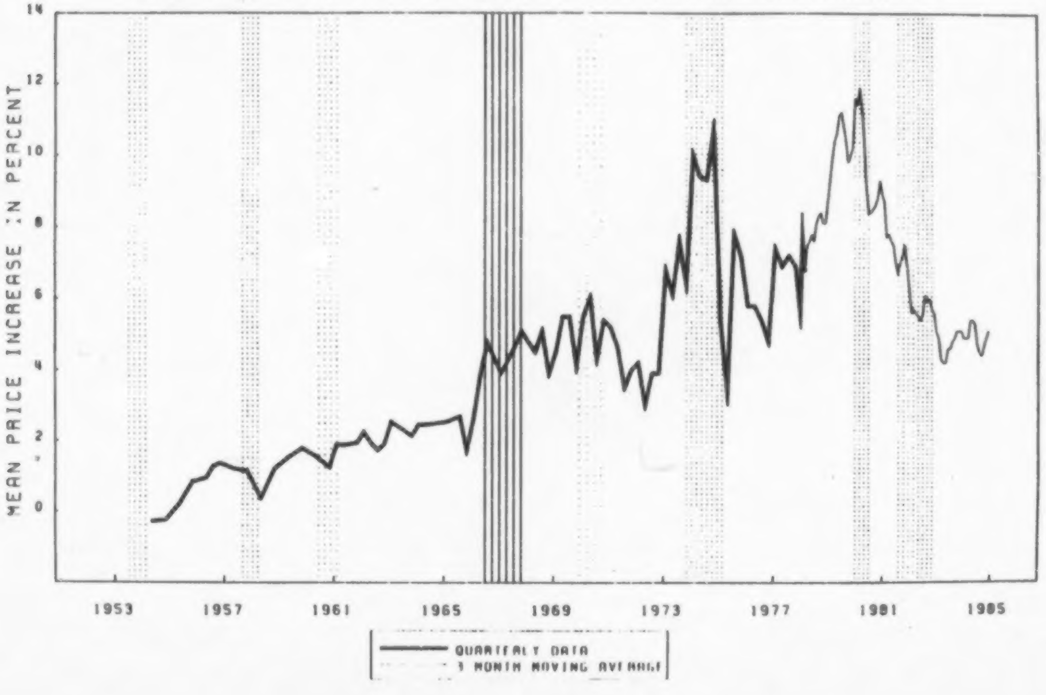


TABLE 23

EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
SAME OR DOWN	23%	25%	23%	24%	19%	19%	19%	23%	24%	24%	22%	23%	25%
WILL GO UP BY:													
1-2%	12	13	14	14	13	15	14	13	18	16	13	14	13
3-4%	15	20	19	16	17	15	16	17	15	19	15	17	17
5%	17	13	19	15	15	20	18	20	18	14	18	18	16
6-9%	8	9	6	10	12	11	11	8	6	8	9	6	9
10-14%	11	10	8	11	11	9	13	8	8	8	10	9	9
15% or more	5	4	6	5	8	6	4	5	5	4	7	7	5
DK how much up	7	4	4	4	3	4	4	3	5	4	4	4	4
DK,NA	2	2	1	1	2	1	1	3	1	3	2	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	5.0	4.6	5.1	5.1	5.9	5.3	4.8	4.5	4.6	4.2	5.3	5.1	4.8
VARIANCE	44	40	51	55	57	49	27	33	46	36	53	47	44
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

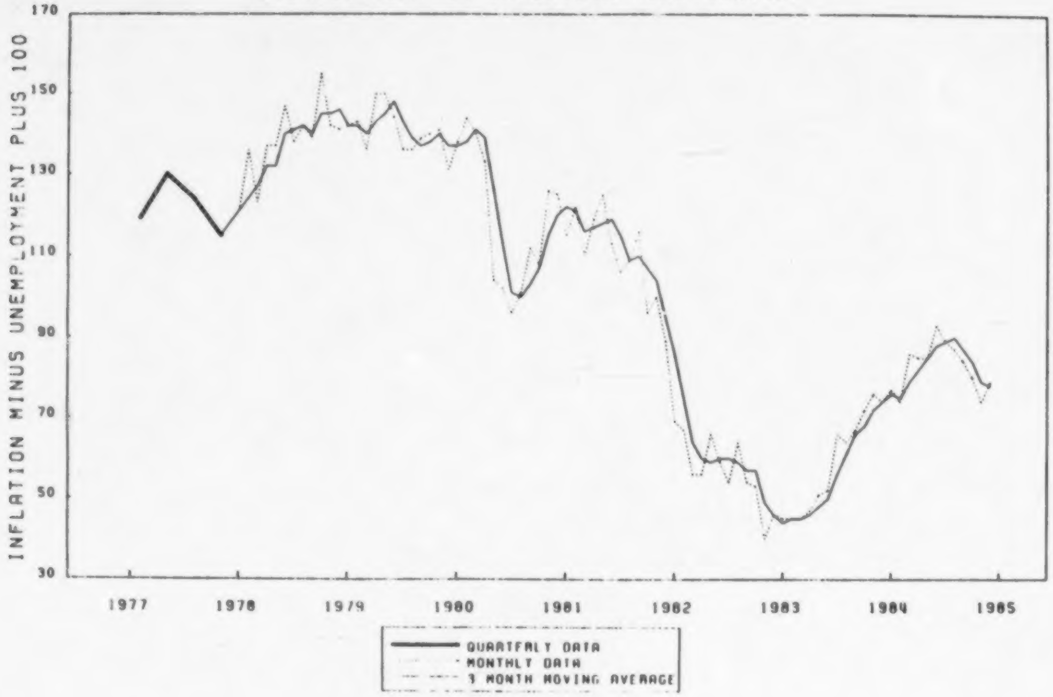


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

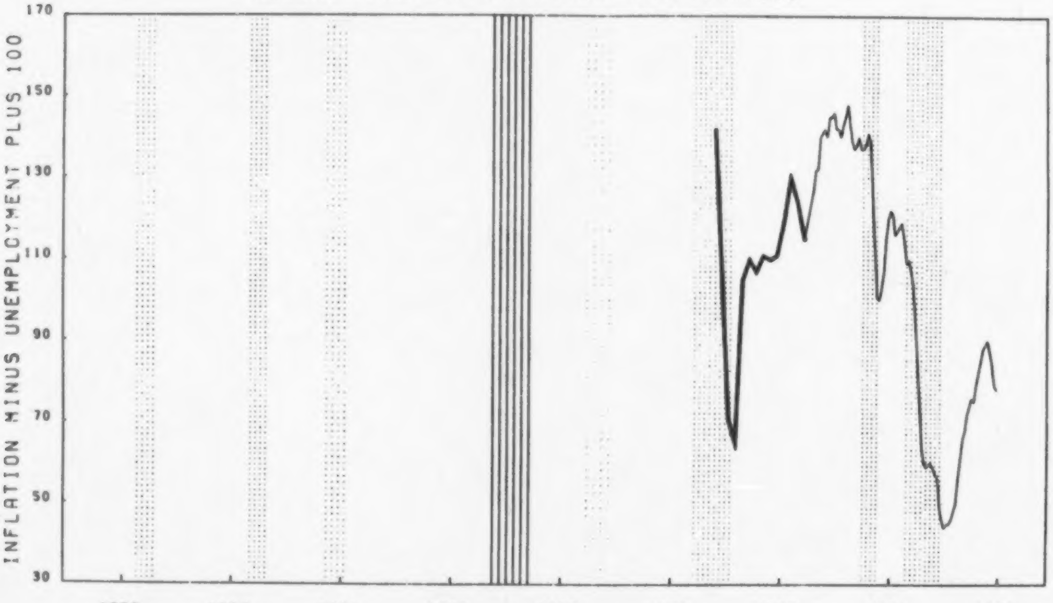


TABLE 24

UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
UNEMPLOYMENT	59%	58%	59%	52%	53%	54%	51%	51%	52%	54%	55%	59%	56%
BOTH EQUALLY SERIOUS	6	4	5	7	7	6	3	7	6	5	8	7	6
INFLATION	33	35	33	38	38	39	44	40	39	38	35	33	35
DK,NA	2	3	3	3	2	1	2	2	3	3	2	1	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	681	687	700	705	690	630	656	693	690	706	710	704

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

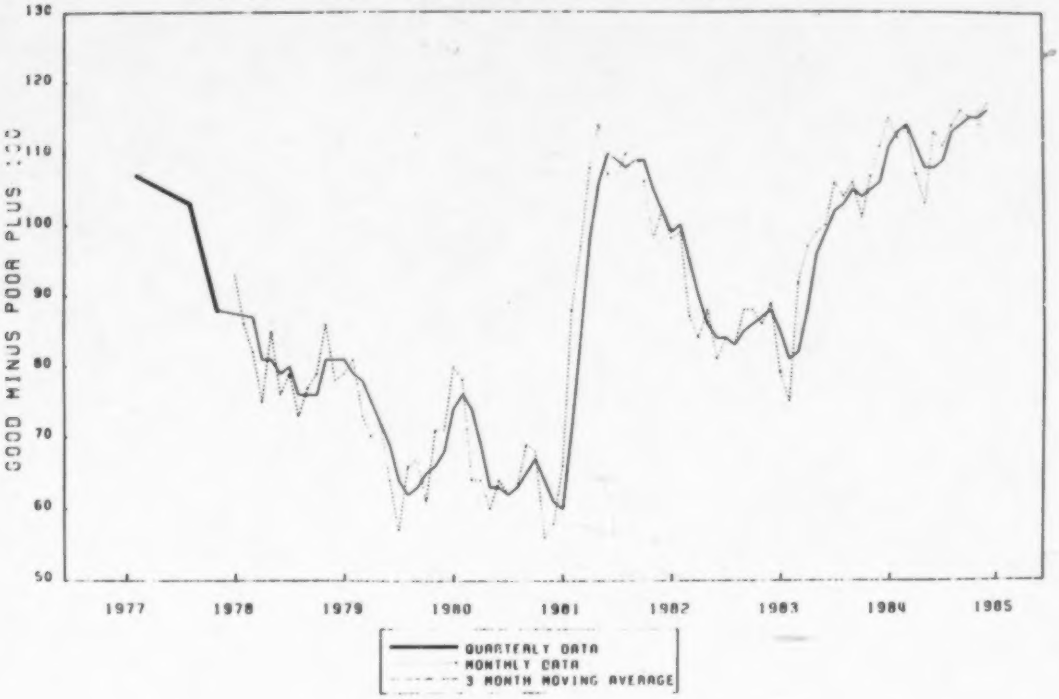


CHART 25 - RECENT CHANGES

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

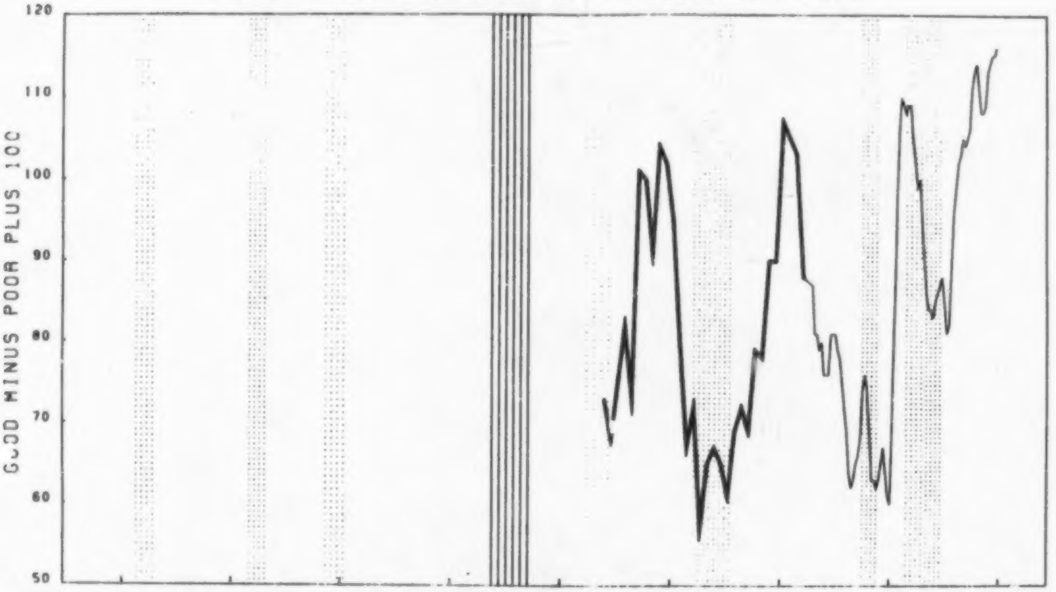


CHART 25 - HISTORICAL SERIES

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

TABLE 25

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
A GOOD JOB	29%	31%	32%	33%	27%	25%	31%	30%	33%	35%	36%	32%	33%
ONLY FAIR	51	52	45	47	50	52	49	48	46	44	41	50	49
A POOR JOB	18	16	20	19	20	22	18	19	19	19	21	17	16
DK,NA	2	1	3	1	3	1	2	3	2	2	2	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

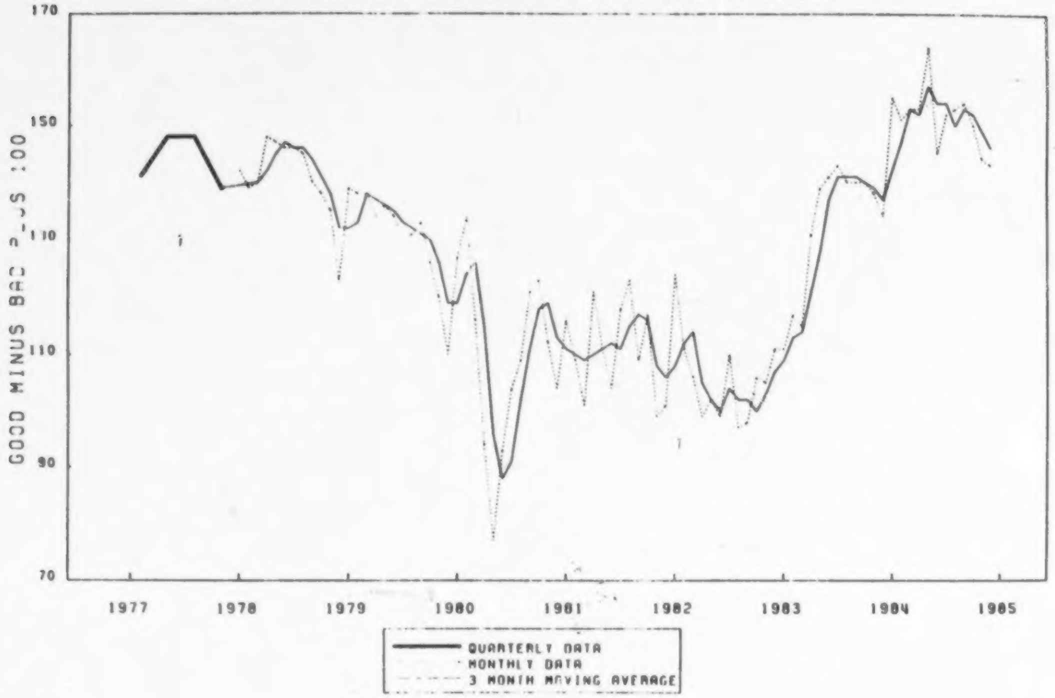


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

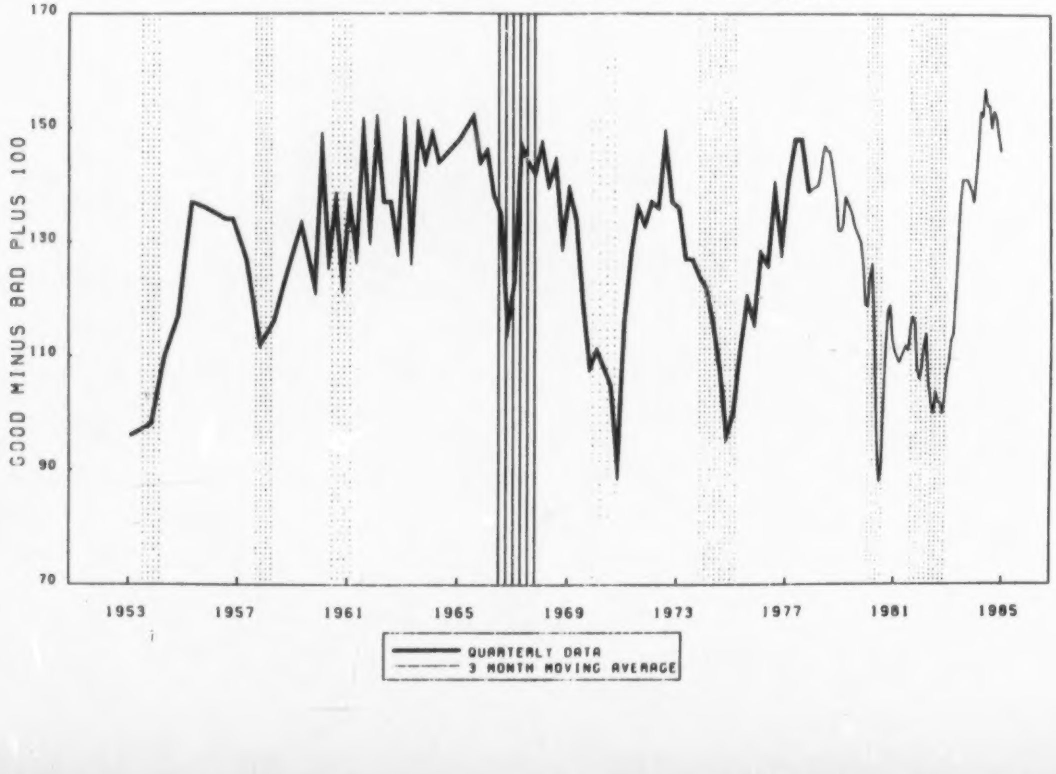


TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
GOOD TIME TO BUY	61%	73%	70%	72%	72%	77%	67%	71%	72%	72%	70%	67%	67%
UNCERTAIN, DEPENDS	12	9	11	9	9	10	11	10	9	10	10	10	9
BAD TIME TO BUY	27	18	19	19	19	13	22	19	19	18	20	23	24
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

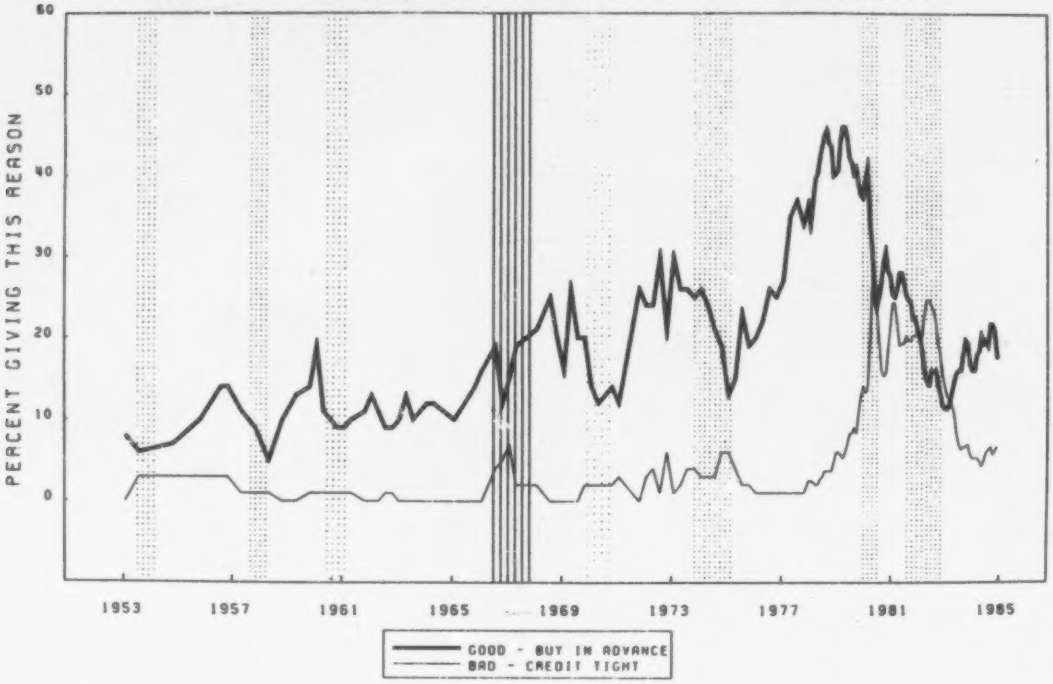


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

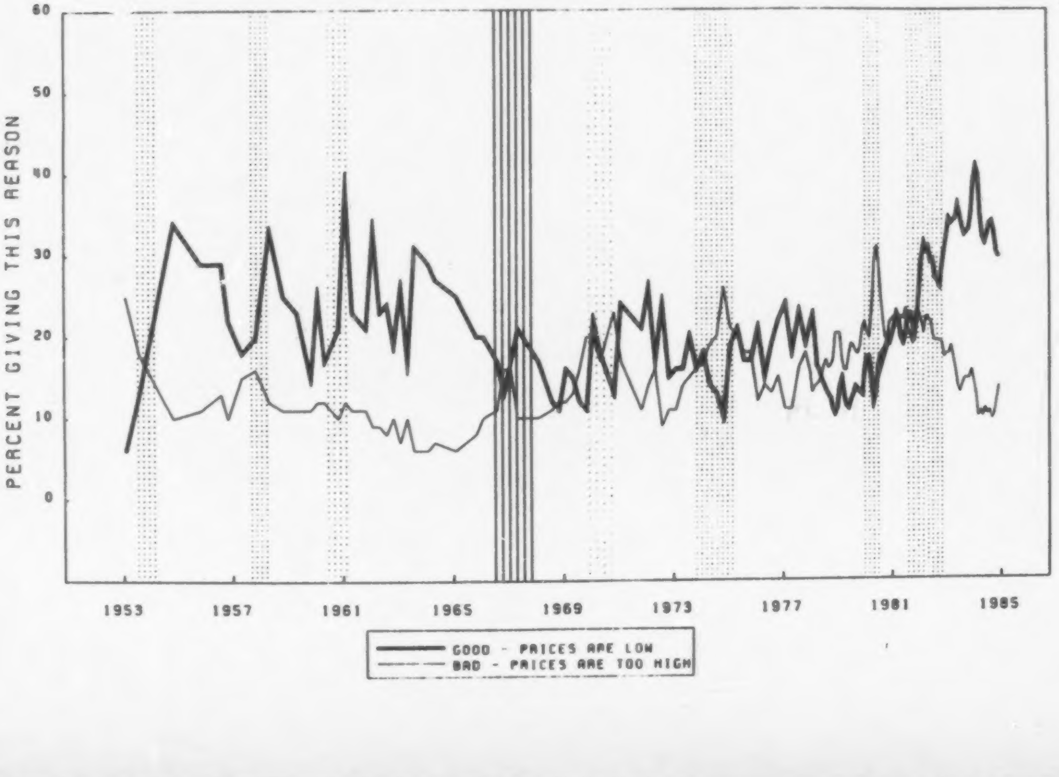


TABLE 27

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
GOOD TIME TO BUY:													
Prices are low; good buys available	38%	45%	39%	35%	30%	31%	33%	33%	35%	34%	29%	28%	32%
Prices won't come down; are going higher	13	19	16	19	20	22	16	21	20	24	21	17	15
Interest rates low; credit is easy	7	9	11	10	14	11	11	10	8	8	11	11	10
BAD TIME TO BUY:													
Prices are high	18	10	10	10	12	8	13	10	9	10	12	14	15
Interest rates are high; credit is tight	3	6	7	3	5	5	5	8	6	6	5	8	7
Lack of purchasing power	10	7	7	9	6	5	7	5	7	7	7	7	7

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

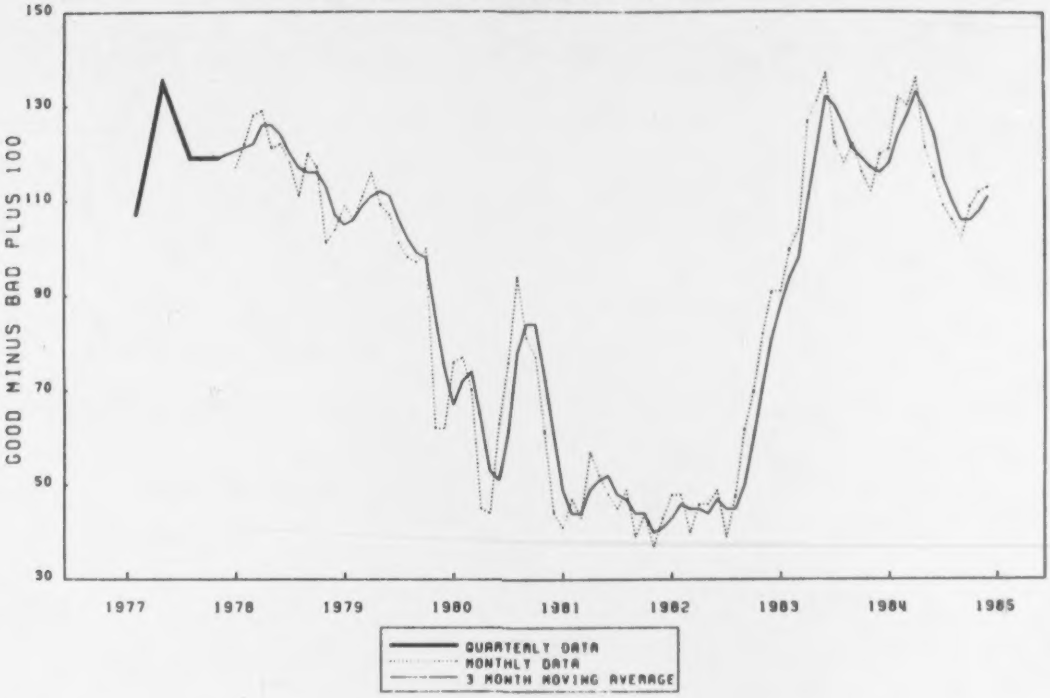


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

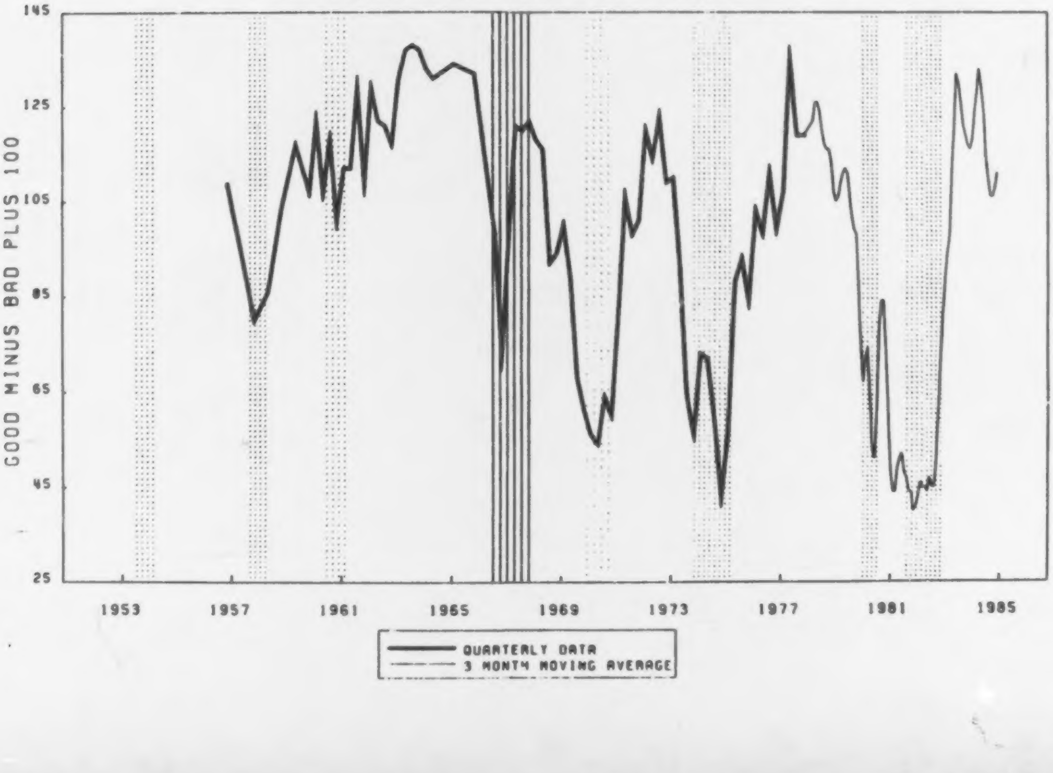


TABLE 28

BUYING CONDITIONS FOR HOUSES

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
GOOD TIME TO BUY	57%	59%	63%	62%	66%	58%	55%	52%	50%	48%	52%	54%	54%
UNCERTAIN, DEPENDS	6	3	6	6	4	5	5	5	6	6	5	4	5
BAD TIME TO BUY	37	38	31	32	30	37	40	43	44	46	43	42	41
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

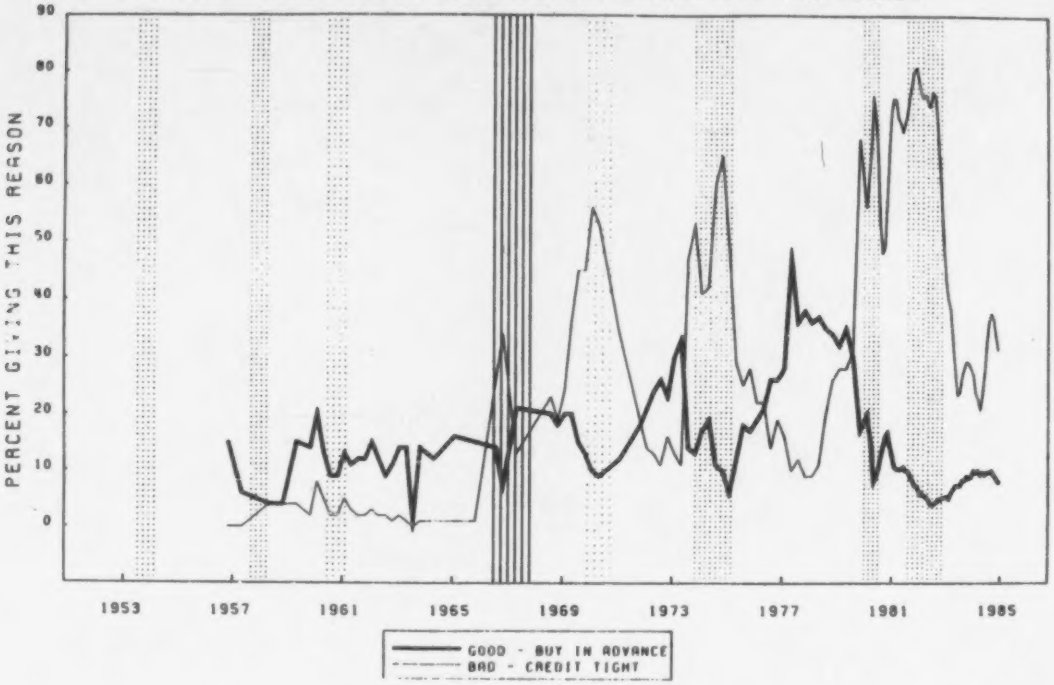


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

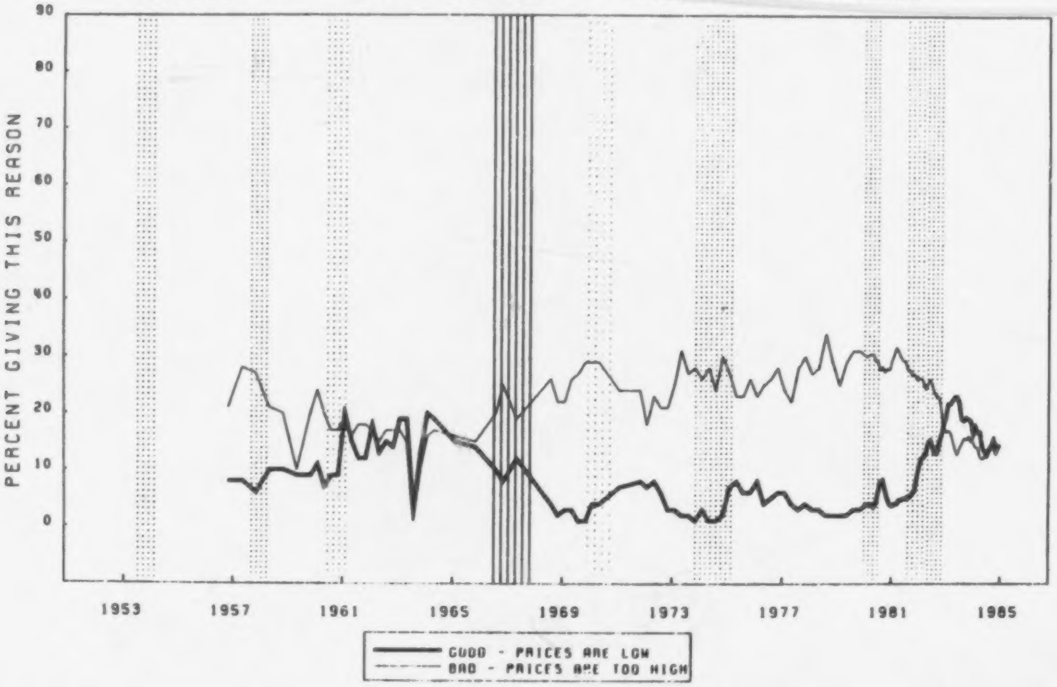


TABLE 29

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
GOOD TIME TO BUY:													
Prices are low; good buys available	18%	15%	20%	15%	15%	12%	13%	13%	15%	14%	15%	11%	17%
Prices won't come down; are going higher	9	12	8	10	10	9	9	11	9	10	9	7	8
Interest rates low; credit is easy	41	41	50	49	52	44	38	37	35	34	35	44	38
Good investment	6	8	6	8	6	5	8	5	4	7	5	7	5
BAD TIME TO BUY:													
Prices are high	13	16	13	13	11	12	14	12	16	16	16	12	13
Interest rates are high; credit is tight	25	26	20	22	20	29	33	36	40	37	33	31	30
Lack of purchasing power	13	12	10	11	10	12	10	11	11	11	10	13	13

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

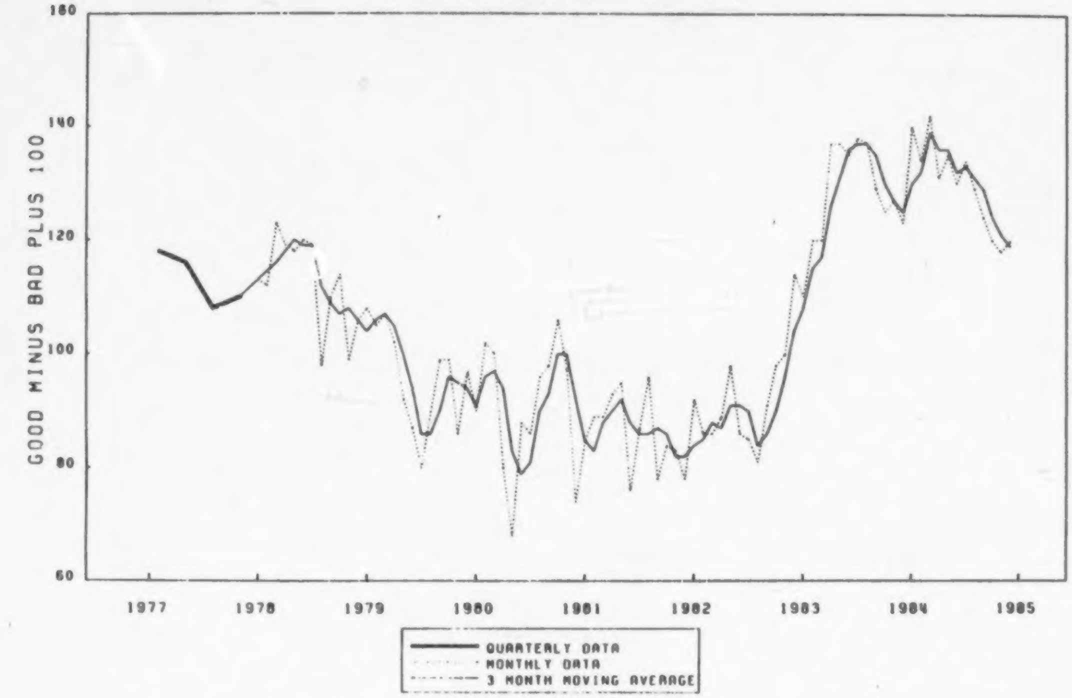


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

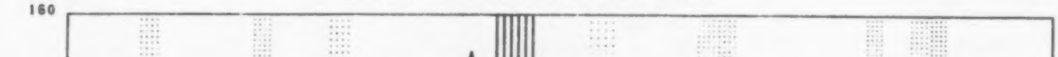


TABLE 30

BUYING CONDITIONS FOR CARS

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
GOOD TIME TO BUY	56%	64%	62%	66%	60%	63%	60%	62%	59%	59%	54%	55%	55%
UNCERTAIN; DEPENDS	11	12	10	10	11	9	10	10	11	6	12	8	10
BAD TIME TO BUY	33	24	28	24	29	28	30	28	30	35	34	37	35
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

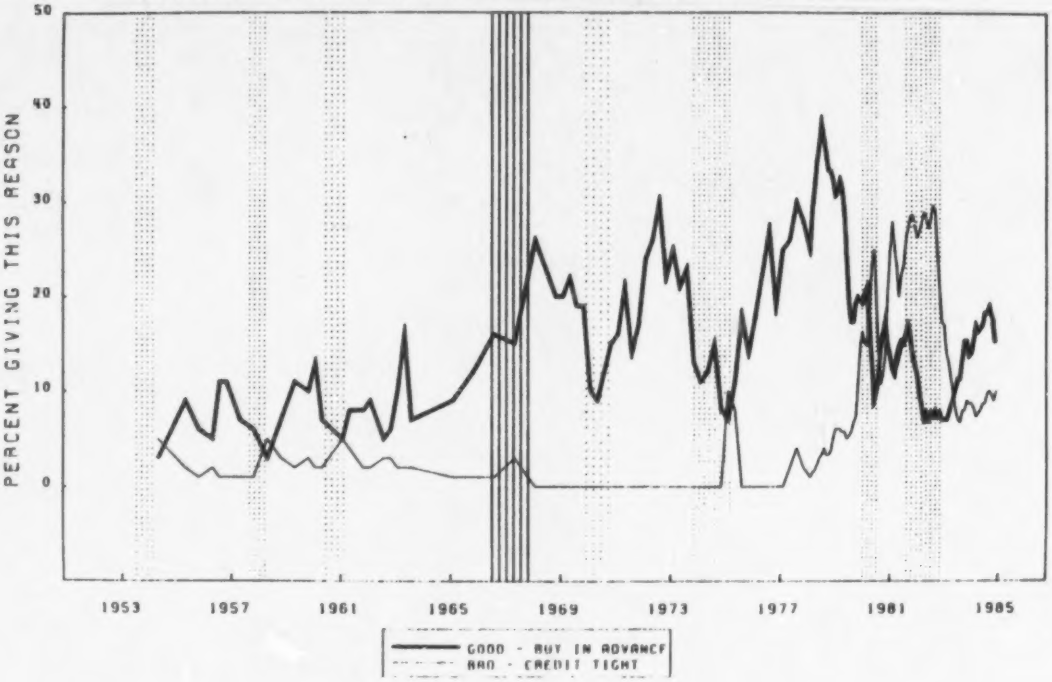


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

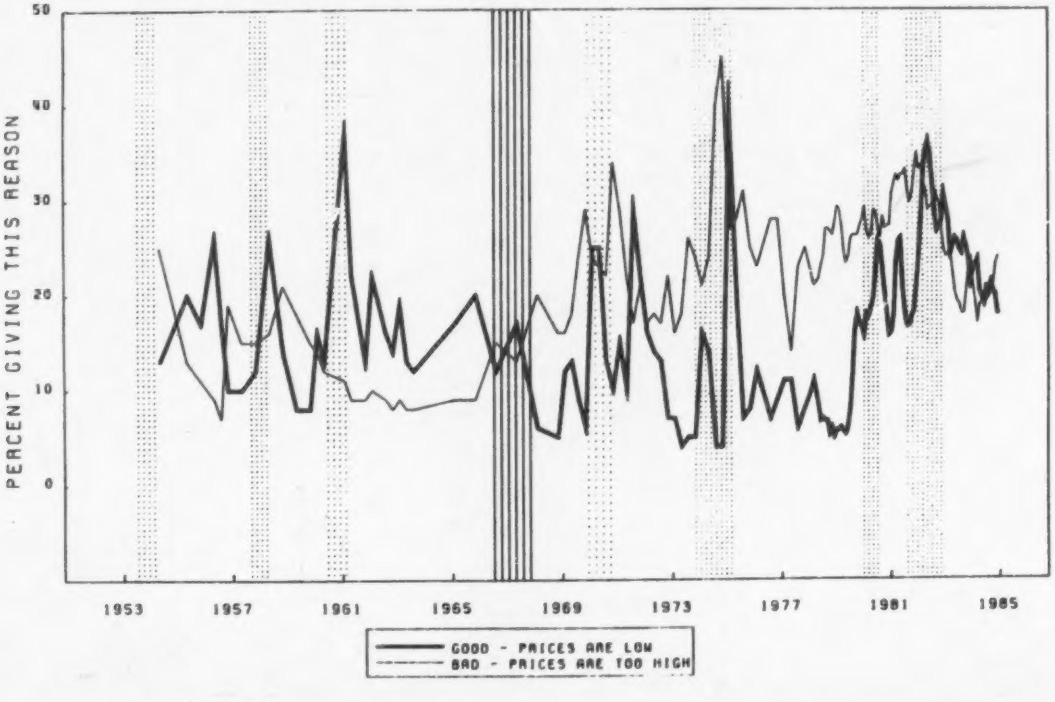


TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
GOOD TIME TO BUY:													
Prices are low; good buys available	21%	26%	22%	23%	16%	20%	21%	21%	19%	24%	18%	18%	18%
Prices won't come down; are going higher	12	18	16	17	16	17	18	20	17	20	17	15	14
Interest rates low; credit is easy	19	23	22	22	22	18	18	24	17	15	14	18	15
New fuel efficient models	2	1	2	1	1	3	1	1	2	1	2	*	2
BAD TIME TO BUY:													
Prices are high	24	16	18	17	22	18	20	20	19	22	23	25	24
Interest rates are high; credit is tight	9	8	8	6	9	9	8	9	12	9	8	10	12
Lack of purchasing power	5	3	5	5	4	5	4	4	5	6	6	8	7
Price of gas; shortages	*	*	*	1	*	*	*	*	1	*	*	*	*
Poor selection; quality	5	5	4	4	6	2	2	4	4	3	3	5	4

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

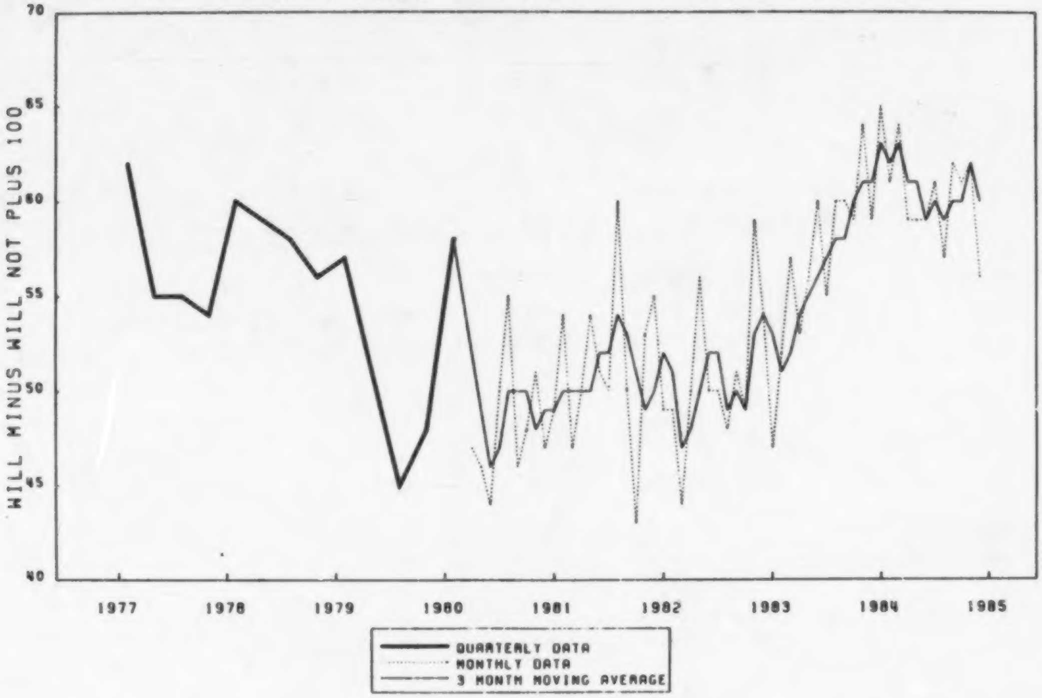


CHART 32 - HISTORICAL SERIES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

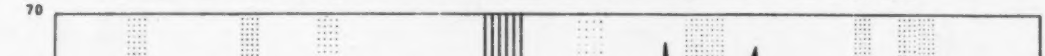


TABLE 32

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
PROBABLY WILL BUY	20%	23%	21%	22%	21%	19%	20%	20%	21%	22%	21%	21%	19%
CHANCES ARE EVEN	8	7	9	12	6	12	9	9	7	8	8	9	9
PROBABLY WILL NOT BUY	61	58	60	58	62	60	61	59	64	60	60	59	63
DK,NA	11	12	10	8	11	9	10	12	8	10	11	11	9
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	701	681	687	700	705	690	680	656	693	690	706	710	704

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would yo say you probably will, probably will not, or are the chances about even, or what?"

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
PROPORTION WITH CURRENT PURCHASE INTENTIONS:	28%	30%	30%	34%	27%	31%	29%	29%	28%	30%	29%	30%	28%
PURCHASE TYPE:													
Buy new	16	15	14	16	13	15	16	15	15	14	15	15	13
Buy used	9	13	13	17	12	14	11	12	11	13	12	13	13
Lease	2	1	2	1	1	2	1	2	1	2	2	1	1
DK,NA	1	1	1	*	1	*	1	*	1	1	*	1	1
PURCHASE TIMING:													
Next 3 months	2	5	3	2	7	3	2	7	3	1	6	5	3
Next 4-6 months	4	10	7	10	6	9	8	6	5	8	6	7	6
Next 7-9 months	10	7	8	8	6	7	9	3	4	5	7	7	10
10 months or more	8	4	5	8	4	6	4	7	8	10	4	8	7
DK,NA	4	4	7	6	4	6	6	6	8	6	6	3	2

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984
PROPORTION WITH FUTURE PURCHASE INTENTIONS:	61%	58%	60%	58%	62%	60%	61%	59%	64%	60%	60%	59%	63%
PURCHASE TYPE:													
Would buy new	36	36	32	32	34	33	36	35	33	34	31	33	34
Would buy used	24	21	26	25	27	26	24	22	29	25	27	25	28
DK,NA	1	1	2	1	1	1	1	2	2	1	2	1	1
PURCHASE TIMING:													
Less than 2 years	7	5	8	7	10	5	7	5	8	5	7	7	7
2 years	23	19	20	19	20	22	21	18	25	21	21	20	23
3 years	9	10	9	9	9	9	8	10	8	11	10	9	10
4 years or more	17	17	17	16	17	18	17	18	15	17	16	17	15
Indefinite	1	2	3	3	1	2	2	3	3	2	1	2	3
DK,NA	4	5	3	4	5	4	6	5	5	4	5	4	5

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

EXPLANATORY CHARTS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

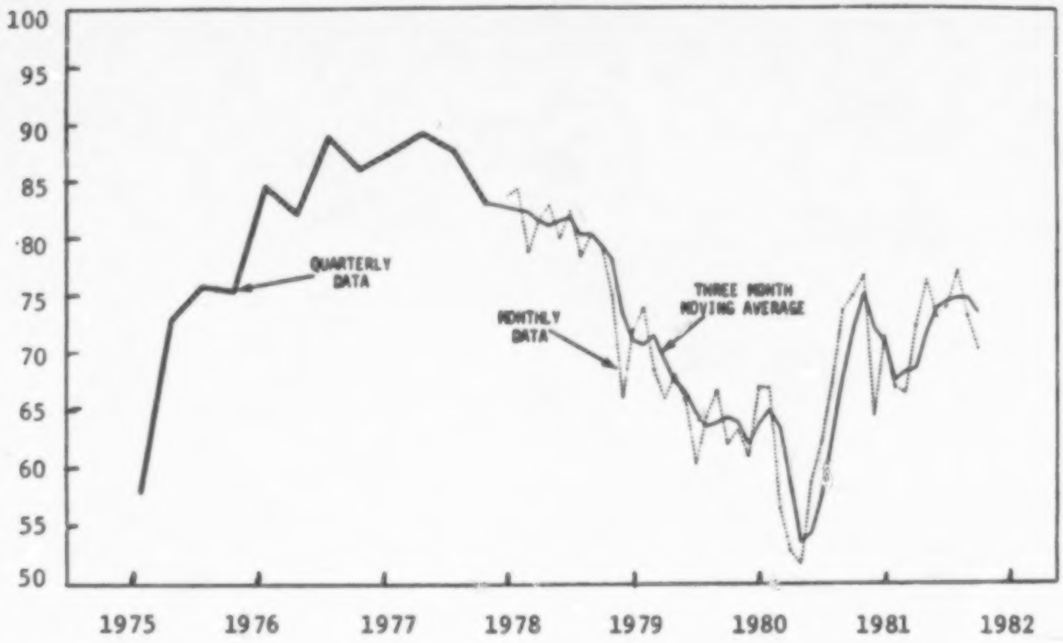
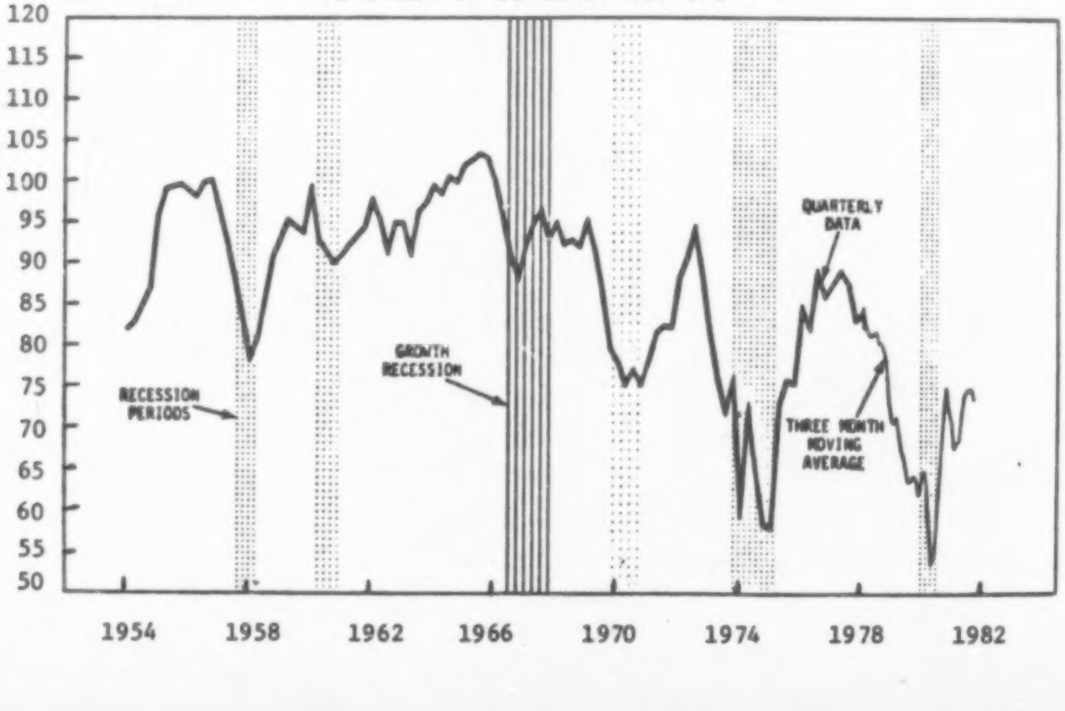


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES:					
	November	1948	-	October	1949
	July	1953	-	May	1954
	August	1957	-	April	1958
	April	1960	-	February	1961
	June	1966	-	November	1967*
	December	1969	-	November	1970
	November	1973	-	March	1975
	January	1980	-	July	1980
	July	1981	-	November	1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

Reported Percentages	Number of Interviews 700[b]	1,400[c]	2,100[d]
50	4.2	3.2	2.8
30 or 70	3.8	2.9	2.5
20 or 80	3.4	2.6	2.2
10 or 90	2.5	1.9	1.6
5 or 95	1.8	1.4	1.2

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

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DECEMBER 1984 MONTHLY REPORT January 15, 1985

Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

OPTIMISM FADES: JOB PROSPECTS TOP CONCERN

- In the December 1984 survey, the Index of Consumer Sentiment was 92.9, down from 95.7 one month earlier, and 100.9 three months earlier. The December 1984 survey marked the first month during the last two years that the Index figure was below the year earlier reading (94.2).
- Among families with incomes of $25,000 or more, the Index of Consumer Sentiment was 100.1 in the December survey, down from 111.0 one month earlier, and below the 104.5 recorded one year earlier.
- Although a near record proportion of consumers continue to favorably view the annual rate of progress made by the economy, consumers have become aware of unfavorable economic developments during late 1984. News heard about recent changes in the economy were unfavorable on balance in the December survey for the first time in nearly two years, largely reflecting less favorable employment trends.
- Unemployment was more frequently expected to increase than to decline in the December survey, although the margin of difference was small (21 versus 28 percent). This stands in sharp contrast to one year earlier, when twice as many families expected declines rather than increases (36 versus 17 percent).
- Interest rate expectations continued to improve in the December survey, following sharp increases in early 1984. Among all families, 37 percent expected interest rate increases in December, down from a high of 68 percent in April, while 30 percent expected interest rates to decline during the year ahead, up from just 8 percent in April.
- Buying attitudes remain largely unchanged at year end, following declines from cyclical peaks earlier in 1984. The proportion of families holding favorable buying attitudes in December was identical to the November reading for large household durables (67 percent), vehicles (55 percent), and homes (54 percent). Each was approximately 10 percentage points below the cyclical peak levels recorded in the Spring of 1984.

• • •

The small year end decline in consumer sentiment indicates the transition from the prolonged enthusiasm which accompanied the rapid recovery to the accustomed awareness of the ongoing economic expansion. Even after the small decline, consumer sentiment remained more favorable at year end 1984 than at the cyclical peak recorded in the late 1970s. Thus far, most of the decline has been concentrated in movement from expectations for continued improvement toward the expectation that economic conditions would remain largely unchanged, rather than toward unfavorable expectations. These data indicate that consumer spending will be maintained at its improved levels through mid 1985. But unlike the later stages of past expansion periods, when the unrelenting pressure of rising prices promoted advance buying, buying attitudes have become increasingly dependent on the availability of price discounts. Consequently, buying behavior has become more responsive to the pricing policies of individual sellers, rather than to aggregate price trends.

Monitoring Economic Change Program
Institute for Social Research • P.O. Box 1248 • Ann Arbor, Michigan 48106-1248 • (313) 763-5224

Slower Growth Lowers Employment Prospects

The progress made by the economy during the past year was viewed favorably by the majority of consumers in the December 1984 survey. Among all families, 63 percent thought that business conditions improved during the past year, unchanged from one-month earlier, and below the 71 percent recorded one year earlier. Even after this small year-to-year decline, consumer evaluations of the annual rate of progress made by the economy remain near record favorable levels—as they have since the spring of 1983. However, during late 1984, consumer perceptions of ongoing economic developments suggested a continued erosion of favorable evaluations during the upcoming year.

The December 1984 survey marked the first month since the start of 1983 that consumer perceptions of recent economic developments were on balance negative. When asked whether they had heard and could recall news of changes in the economy during the past few months, reports of favorable economic developments fell to 39 percent in the December 1984 survey, down from 60 percent one year earlier. At the same time, reports of unfavorable developments rose to 42 from 25 percent. The major shift in the content of news heard involved job prospects. Reports of increases in employment fell to 11 percent in December 1984 from 22 percent one year earlier, while reports of increases in unemployment rose to 17 from 13 percent.

This shift in reports on recent developments for job prospects was also reflected in less favorable expectations for the year ahead. By year end 1984, the expectation that unemployment would increase was more frequent than the expectation that unemployment would further decline during the year ahead. This stands in sharp contrast to one year earlier, when twice as many families expected unemployment to decline rather than to increase. Among all families in the December 1984 survey, 21 percent expected unemployment to decline during the year ahead, down from 36 percent one year earlier. Increases in unemployment were expected by 28 percent in December 1984, up from 17 percent one year earlier. Importantly, half of all consumers in the December survey expected unemployment to remain largely unchanged at its current level during the year ahead.

Prospects for the Economy: Diminished but Still Favorable

Business conditions were expected to improve during the year ahead by 33 percent of all families in the December 1984 survey. This figure was largely unchanged during the last nine months of 1984, but was significantly below the 44 percent recorded one year earlier and the cyclical peak of 55 percent recorded in early 1983. Importantly, the proportion of families that expected worsening business conditions has not risen to the same extent, reaching just 16 percent by year end 1984 from 6 percent in early 1983. Consequently, these data indicate consumers expect slower economic growth, not renewed recession.

When asked to explain whey they thought business conditions would improve or worsen during the year ahead, the December 1984 survey recorded for the first time in nearly two years a somewhat higher proportion of respondents that unfavorably referred to the impact of government economic policies than gave favorable references—although the margin of difference was small. Unfavorable references to government economic policies were made by 15 percent of all families in December, up from 6 percent one year earlier. The primary reason underlying this increase was references to the unfavorable impact of government policies concerning taxes and deficits.

Despite the small rise in concern over the potential impact of government fiscal policies, confidence in government economic policies to control inflation and unemployment remained at record favorable levels. Among all families in the December 1984 survey, 33 percent favorably rated government economic policies, while just 16 percent gave these policies an unfavorable rating. This represents the most favorable balance of opinion recorded thus far under the Reagan administration.

Good times financially in the economy as a whole were expected by 59 percent of all families in the December 1984 survey, unchanged from one month earlier, and below the 67 percent recorded one year earlier. Bad economic times were expected by 28 percent of all families in December 1984, just above the 27 percent recorded one month and one year earlier. Economic prospects over the longer term also declined by a modest amount. Among all families in the December 1984 survey, 39 percent expected good times financially over the longer term, down from the peak of 47 percent recorded three months earlier, but equal to the year earlier figure. An unfavorable economic outlook for the longer term was held by 41 percent of all families in the December 1984 survey, up from 31 percent three months earlier, and above the year earlier figure of 37 percent. Despite the small declines in both short term and long term evaluations, by year end 1984 they nonetheless remain near peak cyclical levels.

Interest Rate Expectations Improve

Interest rate expectations continued their decline in the December 1984 survey, completely reversing the substantial increases recorded during the first half of 1984. The proportion of families that expected interest rate increases during the year ahead was 37 percent in the December survey, down from the peak of 68 percent recorded in April, and equal to the year earlier reading. Interest rate declines were expected by 30 percent of all families in the December 1984 survey, up from 21 percent one year earlier, and the highest proportion recorded since the spring of 1983.

Favorable Buying Attitudes

The majority of consumers held favorable buying attitudes throughout the last two years. Favorable buying attitudes first reached cyclical peak levels in the spring of 1983. The small declines that were recorded through the balance of 1983 were completely reversed by the spring of 1984. In the March 1984 survey favorable attitudes toward buying conditions for cars reached cyclical peak levels (66 percent), in April favorable attitudes toward buying conditions for homes regained peak levels (66 percent), and in May, favorable attitudes toward buying conditions for large household durables reached an all-time peak level (77 percent). Since the spring 1984 record levels, buying attitudes have again recorded small declines.

Favorable attitudes toward buying conditions for large household durables were held by 67 percent of all families in the December 1984 survey, unchanged from the November figure. Although the proportion holding favorable buying attitudes in December declined from the all-time peak of 77 percent in May 1984, favorable attitudes remained more frequent than at the close of 1983 (61 percent). The small decline from mid year reflects more complaints about high prices for household durables, rising from 8 to 15 percent, nearly reversing all the improvement since 18 percent was recorded in December 1983. Favorable perceptions of market prices for household durables were held by 32 percent in the December survey, up from 28 percent in November, but well below the peak of 45 percent recorded at the start of the year. Although these shifts in perceptions of market prices have narrowed the favorable balance of opinion, favorable perceptions were still twice as frequent as unfavorable views by year end 1984.

Favorable attitudes toward buying conditions for homes improved by a small amount at year end 1984, following the decline from cyclical peak levels at mid year. Among all families, 54 percent favorably rated buying conditions for homes, up from the low of 48 percent recorded three months earlier, but well below the peak of 66 percent recorded in April, and below the December 1983 level of 57 percent. The shifts in home buying attitudes during the past year have been mainly due to interest rate trends. The spring peak in favorable home buying attitudes was due to concern with rising interest rates, which promoted the appeal of borrowing-in-advance of those increases. Since then, the appeal of borrowing-in-advance has greatly lessened, falling from 23 percent in April to 6 percent by year end. The improvement at year end was due to more frequent references to the current availability of lower interest rates, rising to 32 percent in December from 22 percent three months earlier. References to high interest rates as cause for postponement fell to 30 percent in December from 37 percent three months earlier, but remained above the 25 percent recorded one year earlier.

Favorable attitudes toward buying conditions for cars were held by 55 percent of all families in December, unchanged from the November figure, and just below the 56 percent recorded one year earlier. Although the December figure of 55 percent is well below the 66 percent cyclical peak recorded in March, it is nonetheless at a level comparable to the mid 1970s peak. The modest decline from peak levels has been due to higher prices and higher interest rates. In the December 1984 survey, 18 percent of all families mentioned the appeal of lower vehicle prices, down from 21 percent one year earlier, and 35 percent two years earlier. During that same time, however, references to high vehicle prices remained largely unchanged at 24 percent. References to the availability of low interest rates fell to 12 from 16 percent one year earlier, while unfavorable references to high interest rates rose to 12 from 9 percent.

Personal Finances Remain Favorable

Consumers' evaluations of their current financial situation, following the rapid and substantial improvement recorded in 1983, were maintained at those favorable levels throughout 1984. The proportion of families that reported their financial situation had improved ranged from 42–48 percent during 1984, which marked the most favorable year since the mid–1960s. In the December 1984 survey, 44 percent reported improved finances, just below the 45 percent recorded one year earlier, and substantially above the 28 percent recorded two years earlier. The major factors behind the initial improvement and subsequent maintenance have been lower prices and higher incomes. References to the adverse impact of inflation on family budgets were made by just 12 percent of all families in the December 1984 survey, unchanged from one year earlier, but substantially below the levels recorded in earlier years. References to changes in family income have remained on balance favorable, but the favorable margin narrowed at year end 1984. In the December 1984 survey, nearly twice as many families reported income increases rather than declines (33 versus 17 percent), which represents a moderate decline from three months earlier when mentions of income increases outnumbered declines by a margin of three-to-one (39 versus 12 percent).

Prospects for future improvement in family finances have also been maintained at very favorable levels throughout 1984. Among all families in the December 1984 survey, 36 percent expected their financial situation to improve during 1985, between the 39 percent recorded one month earlier and the 35 percent recorded one year earlier. Just 11 percent of all families in the December 1984 survey expected their financial situation to worsen during 1985. Income increases were expected by 61 percent of all families in December, between the 62 percent recorded one month earlier and the 60 percent recorded at year end 1983. Approximately one-third of all families expected income increases of 6% or more during 1985; in comparison, only one-fourth of all families expected prices to increase by as much during the year ahead.

● ● ●

The December 1984 survey was conducted between December 1 and December 31 and included 704 completed interviews.

TABLE A

REFERENCES TO INTEREST RATES IN SUPPORT OF FAVORABLE BUYING CONDITIONS

	Durables		Houses		Vehicles	
Survey Date	Low Rates	BiA Rates	Low Rates	BiA Rates	Low Rates	BiA Rates
8301	7	*	33	4	27	2
8302	7	1	35	5	34	1
8303	7	1	38	6	33	1
8304	12	2	46	8	38	2
8305	12	1	49	6	38	2
8306	13	3	49	12	38	2
8307	14	2	40	9	34	3
8308	11	1	33	11	30	3
8309	9	3	35	12	25	3
8310	6	1	29	9	17	2
8311	6	2	29	11	20	2
8312	6	1	30	11	16	3
8401	8	1	33	8	20	3
8402	9	2	38	12	19	3
8403	8	2	36	13	19	3
8404	8	6	29	23	15	7
8405	7	4	24	20	14	4
8406	7	4	21	17	12	6
8407	5	5	21	16	16	8
8408	6	2	22	13	12	5
8409	6	2	22	12	11	4
8410	7	4	24	11	10	4
8411	8	3	33	11	15	3
8412	8	2	32	6	12	3

NOTE: The proportions given above provide greater detail than is reported in the monthly tables (see Tables 27, 29 and 31). The monthly tables report the total proportion of respondents that made favorable references to credit conditions. The figures above divide this total into those respondents that referred to the current availability of low interest rates, and those that referred to buying-in-advance of rising interest rates.

2/20/85 U7475-2 A

SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

TABLES AND CHARTS

JANUARY 1985

The January 1985 survey is the 196th in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because ~~not~~ all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

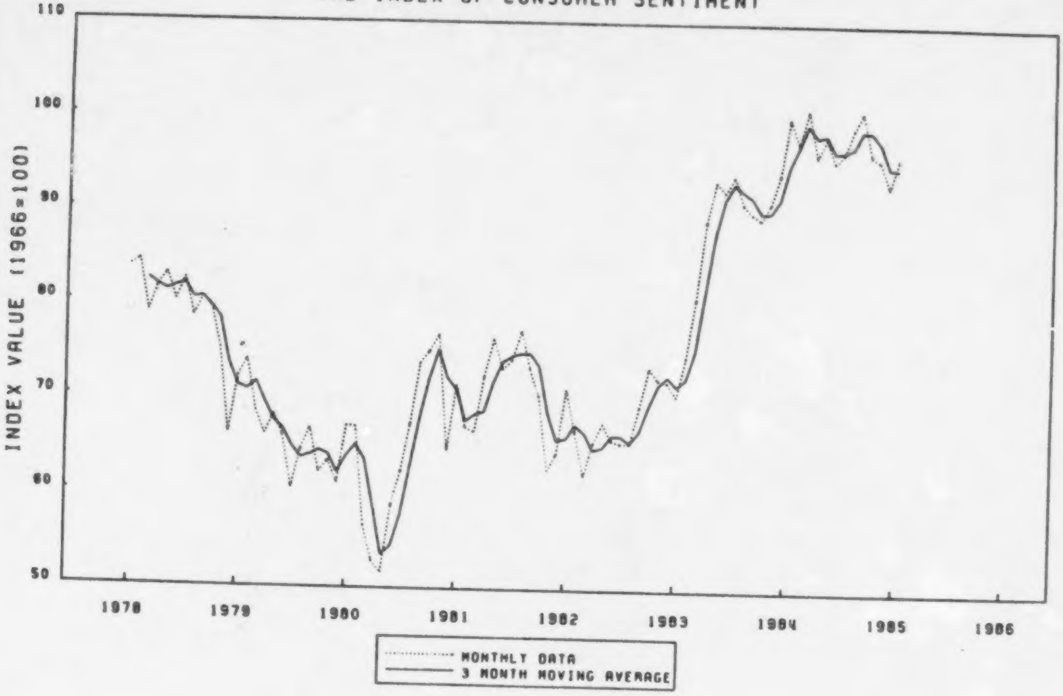


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

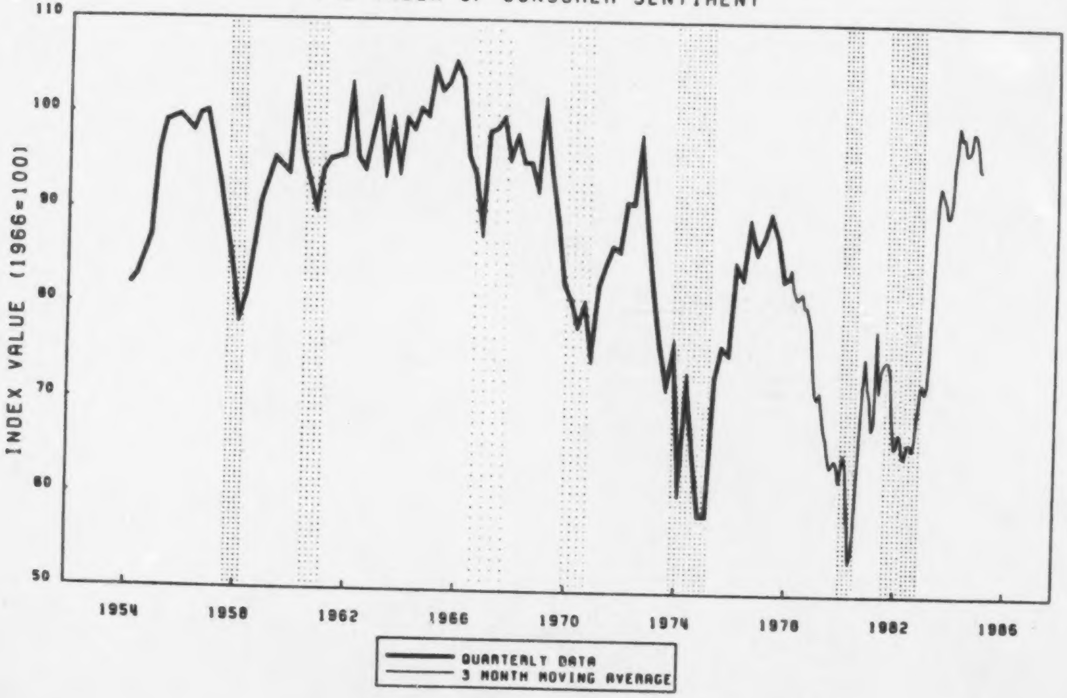


TABLE 1

THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY		All families	Families with incomes over \$20,000	Families with incomes over \$25,000
January	1982	71.0	77.9	77.8
February	1982	66.5	71.5	72.8
March	1982	62.0	67.0	67.9
April	1982	65.5	71.5	73.2
May	1982	67.5	72.7	74.8
June	1982	65.7	71.4	72.9
July	1982	65.4	68.9	69.2
August	1982	65.4	71.0	73.6
September	1982	69.3	78.4	81.1
October	1982	73.4	77.5	80.9
November	1982	72.1	79.3	81.1
December	1982	71.9	78.0	80.5
January	1983	70.4	78.2	78.8
February	1983	74.6	79.9	81.3
March	1983	80.8	88.4	88.9
April	1983	89.1	97.1	99.0
May	1983	93.3	99.6	101.0
June	1983	92.2	101.2	102.5
July	1983	93.9	104.4	106.5
August	1983	90.9	101.2	103.5
September	1983	89.9	99.0	102.3
October	1983	89.3	99.5	101.9
November	1983	91.1	97.2	98.8
December	1983	94.2	101.7	104.5
January	1984	100.1	112.0	114.2
February	1984	97.4	109.6	111.2
March	1984	101.0	110.9	114.2
April	1984	96.1	103.9	105.5
May	1984	98.1	105.6	107.1
June	1984	95.5	104.4	104.5
July	1984	96.6	103.2	102.8
August	1984	99.1	106.7	109.2
September	1984	100.9	109.7	111.7
October	1984	96.3	106.2	107.7
November	1984	95.7	108.6	111.0
December	1984	92.9	99.2	100.1
January	1985	96.0	104.1	106.7

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

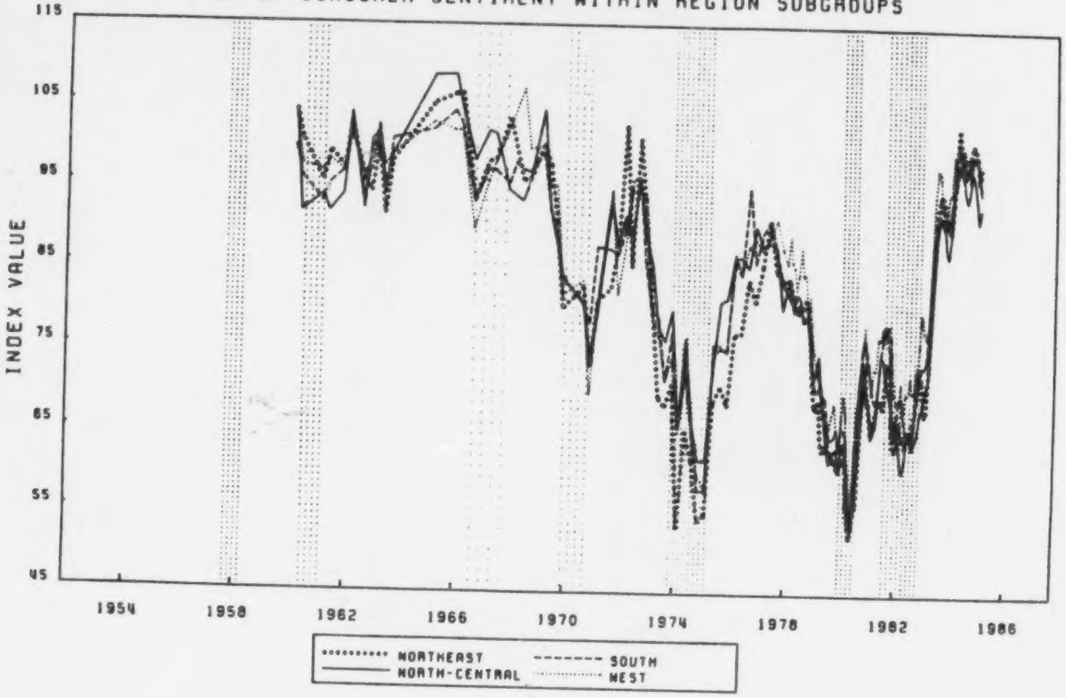


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

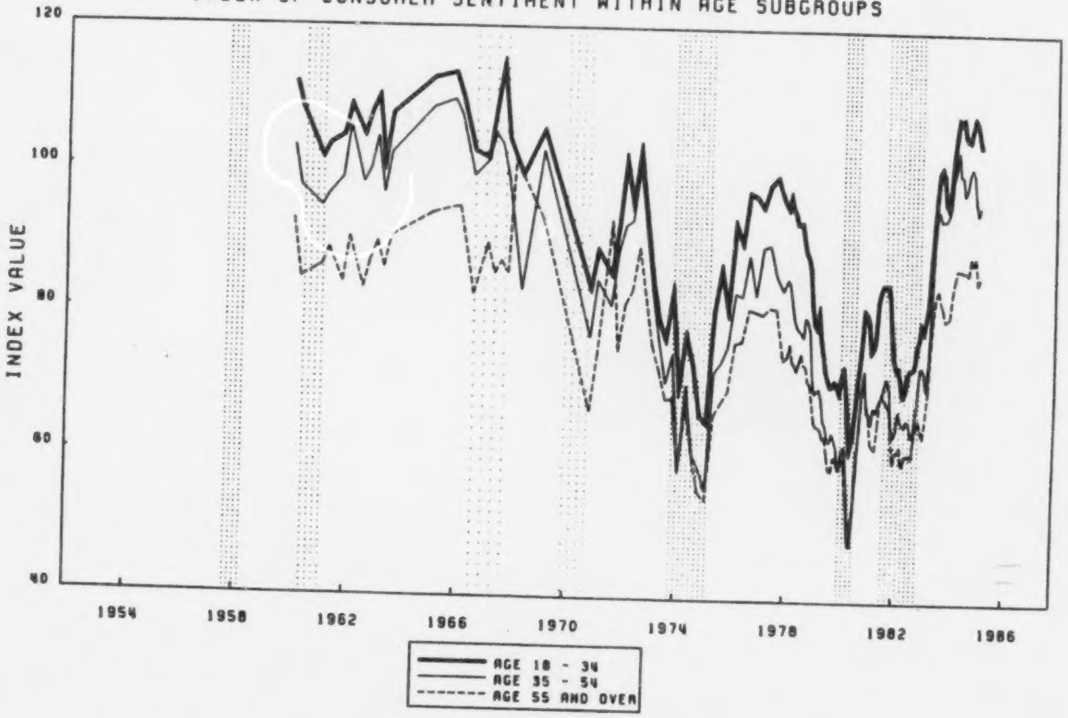


TABLE 2

INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

DATE OF SURVEY		CENSUS REGION				AGE OF RESPONDENT		
		North East	North Central	South	West	18-34	35-54	55+
January	1982	68.8	67.3	72.0	76.2	76.6	67.4	68.5
February	1982	65.9	60.6	71.8	68.8	71.5	68.3	59.0
March	1982	60.5	55.8	64.7	68.2	65.5	61.4	58.8
April	1982	67.2	64.6	65.0	65.8	70.6	65.5	60.4
May	1982	62.4	66.5	66.6	75.7	72.7	67.6	62.0
June	1982	65.4	65.0	64.9	68.6	72.4	64.4	60.3
July	1982	65.1	64.0	63.5	71.1	73.4	63.3	60.6
August	1982	68.1	60.6	64.0	70.6	72.6	62.9	60.2
September	1982	70.3	67.2	71.1	68.8	73.0	66.7	68.0
October	1982	77.8	66.2	74.1	79.3	81.2	72.1	65.5
November	1982	70.6	67.9	73.2	79.3	76.6	75.7	63.8
December	1982	66.1	70.0	72.5	80.4	78.9	71.7	64.2
January	1983	64.9	70.5	73.6	72.8	78.8	70.0	62.0
February	1983	72.1	72.3	75.8	77.2	82.1	68.3	72.4
March	1983	82.9	73.7	82.7	84.4	84.9	81.5	75.5
April	1983	89.1	88.0	87.2	95.6	95.8	90.5	80.5
May	1983	88.3	90.7	93.3	102.7	97.2	97.1	84.9
June	1983	95.1	88.7	92.5	94.1	97.8	94.4	83.9
July	1983	98.3	93.8	89.9	94.3	106.0	93.6	83.0
August	1983	89.6	92.0	91.3	89.6	99.2	92.9	80.0
September	1983	92.6	87.8	89.3	90.8	94.8	94.5	80.9
October	1983	89.9	83.7	91.5	93.5	94.2	93.8	77.8
November	1983	87.7	88.3	91.5	98.5	97.2	94.6	80.7
December	1983	91.4	96.2	95.2	92.2	102.3	97.5	81.8
January	1984	100.7	96.8	97.5	107.5	107.9	106.0	87.4
February	1984	102.3	98.4	93.5	97.1	106.2	98.9	86.5
March	1984	104.8	98.5	102.1	97.5	109.9	105.2	86.6
April	1984	92.5	95.3	98.2	99.3	106.5	95.9	87.0
May	1984	98.8	96.3	96.5	103.9	107.5	98.8	86.6
June	1984	100.1	92.1	95.0	93.7	103.0	97.1	85.9
July	1984	94.3	92.5	100.5	99.3	104.9	98.2	87.1
August	1984	103.1	100.2	97.5	95.4	106.8	105.3	85.2
September	1984	105.0	99.3	99.7	99.9	108.5	99.9	93.3
October	1984	92.5	89.4	100.9	101.7	108.9	95.5	84.2
November	1984	100.3	93.3	95.6	94.1	105.5	94.0	88.1
December	1984	94.8	90.3	93.4	94.0	102.9	94.1	82.2
January	1985	98.2	94.5	94.6	97.8	104.2	99.0	86.6

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

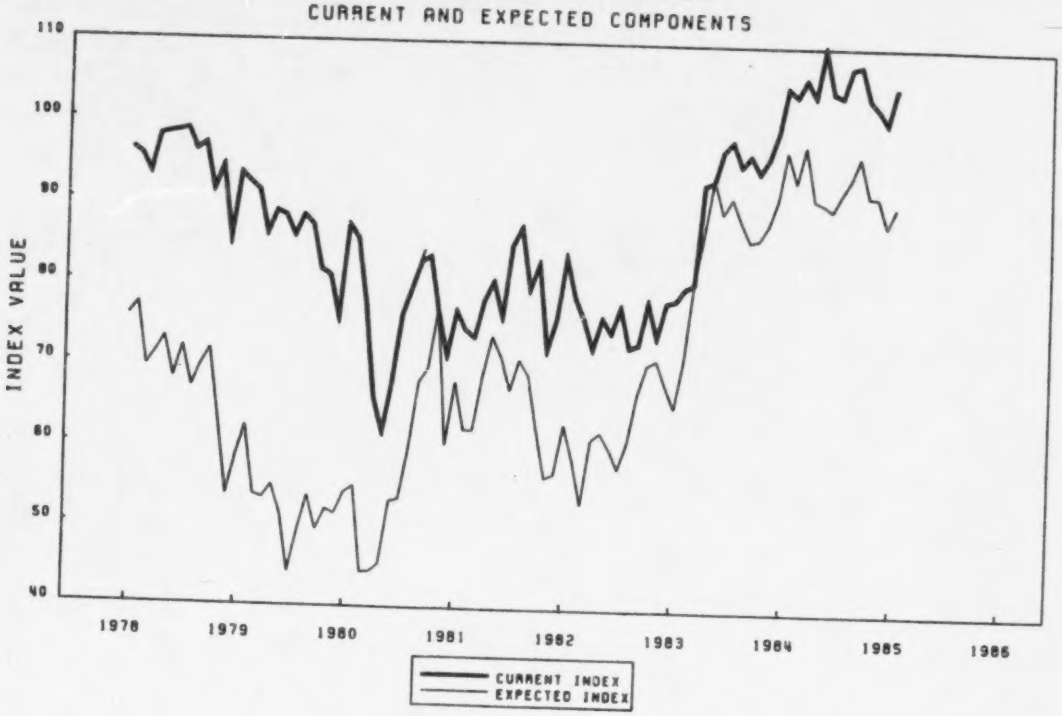


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS

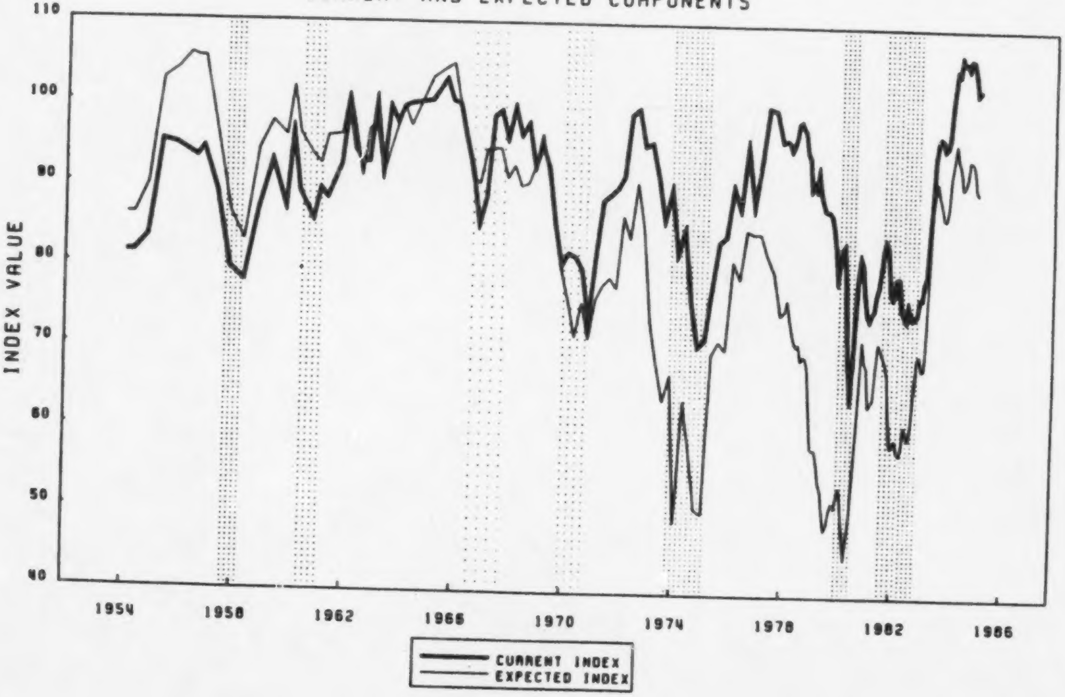


TABLE 3

COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

	INDEX COMPONENTS +						
	Personal finances		Business conditions				
DATE OF SURVEY	Current (1)	Expected (2)	12 months (3)	5 years (4)	Buying conds. (5)	Current Index (1,5)	Expected Index (2,3,4)
January 1982	92	115	66	70	124	83.5	62.9
February 1982	91	112	56	65	111	78.6	58.7
March 1982	89	106	44	60	106	75.9	53.1
April 1982	87	111	62	70	99	72.3	61.1
May 1982	94	113	62	72	102	76.1	62.0
June 1982	92	116	58	65	99	74.3	60.1
July 1982	90	113	53	63	110	77.5	57.6
August 1982	89	110	64	69	97	72.5	60.9
September 1982	89	116	76	74	98	72.9	66.9
October 1982	95	119	79	83	106	78.1	70.4
November 1982	85	121	77	86	105	73.8	71.0
December 1982	90	117	74	80	111	78.1	67.9
January 1983	91	115	76	69	111	78.4	65.2
February 1983	89	117	87	81	117	79.9	71.2
March 1983	92	126	113	85	115	80.5	80.9
April 1983	108	131	120	99	131	92.7	86.9
May 1983	101	137	139	100	139	93.1	93.4
June 1983	110	128	134	97	141	96.9	89.2
July 1983	111	126	136	104	143	98.1	91.1
August 1983	106	124	130	100	140	95.1	88.2
September 1983	109	125	125	95	140	96.4	85.8
October 1983	104	124	124	98	140	94.3	86.1
November 1983	111	127	129	98	138	96.1	87.9
December 1983	123	125	140	102	134	99.3	91.0
January 1984	117	129	154	108	155	104.9	97.0
February 1984	119	130	139	106	151	103.9	93.2
March 1984	122	135	146	113	153	106.0	97.7
April 1984	117	124	136	106	153	103.9	91.1
May 1984	121	129	131	105	164	109.8	90.6
June 1984	126	124	131	106	145	104.4	89.8
July 1984	117	124	133	113	152	103.9	91.9
August 1984	125	129	137	111	153	107.5	93.7
September 1984	125	131	142	116	154	107.8	96.4
October 1984	118	127	134	107	150	103.6	91.6
November 1984	121	129	132	107	144	102.4	91.5
December 1984	118	125	131	98	143	100.6	87.9
January 1985	119	124	135	104	153	104.9	90.3

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES

CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

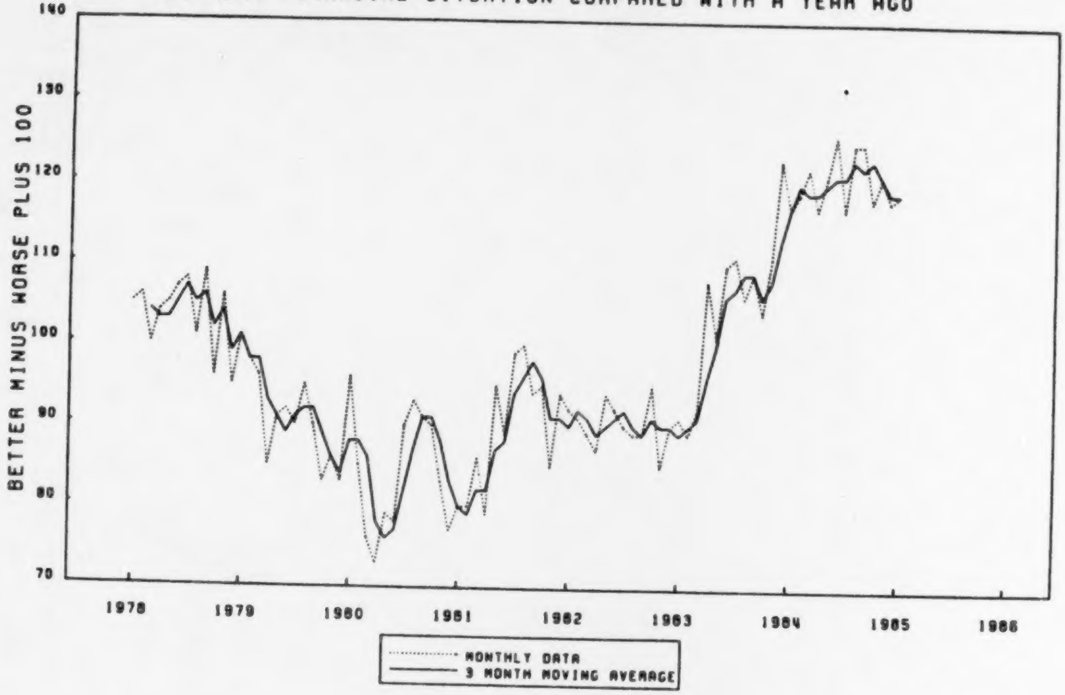


CHART 4 - HISTORICAL SERIES

CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

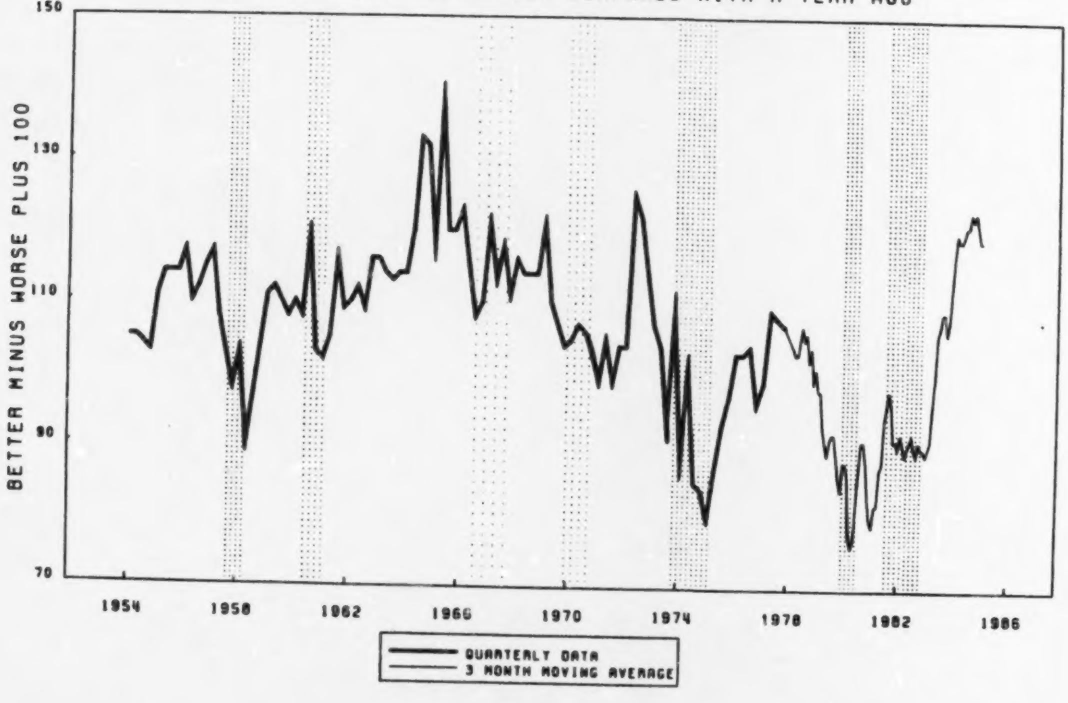


TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
BETTER OFF	42%	44%	48%	43%	44%	47%	42%	48%	45%	44%	46%	44%	42%
SAME	32	31	26	30	33	31	33	29	35	30	29	30	35
WORSE OFF	25	25	26	26	23	21	25	23	20	26	25	26	23
DK,NA	1	*	*	1	*	1	*	*	*	*	*	*	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

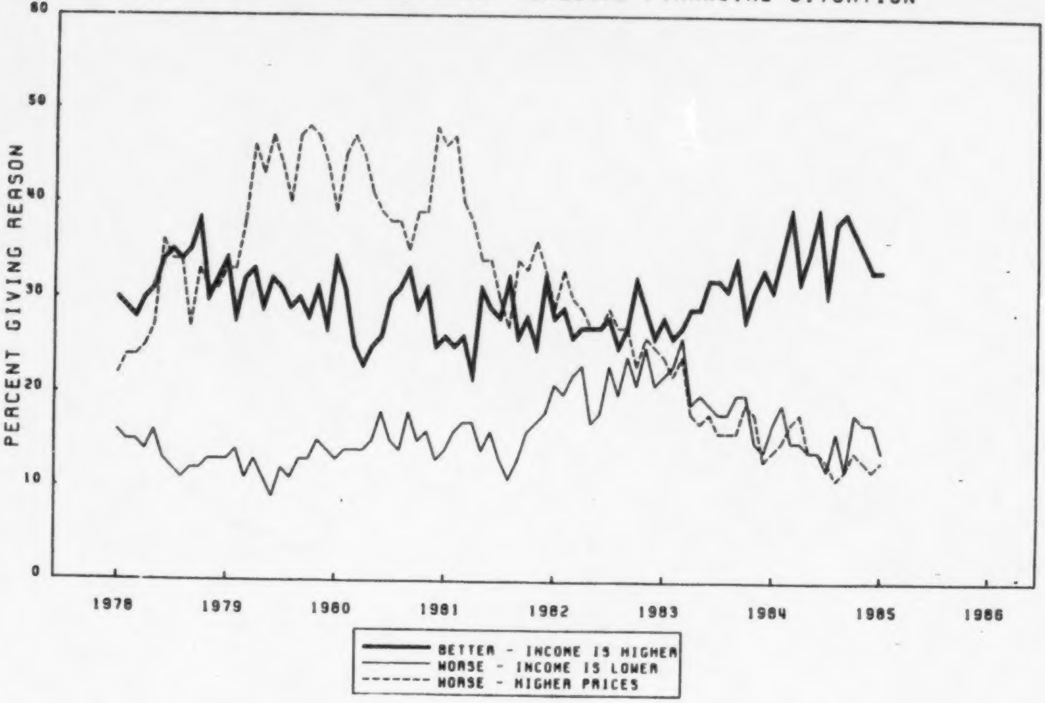


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

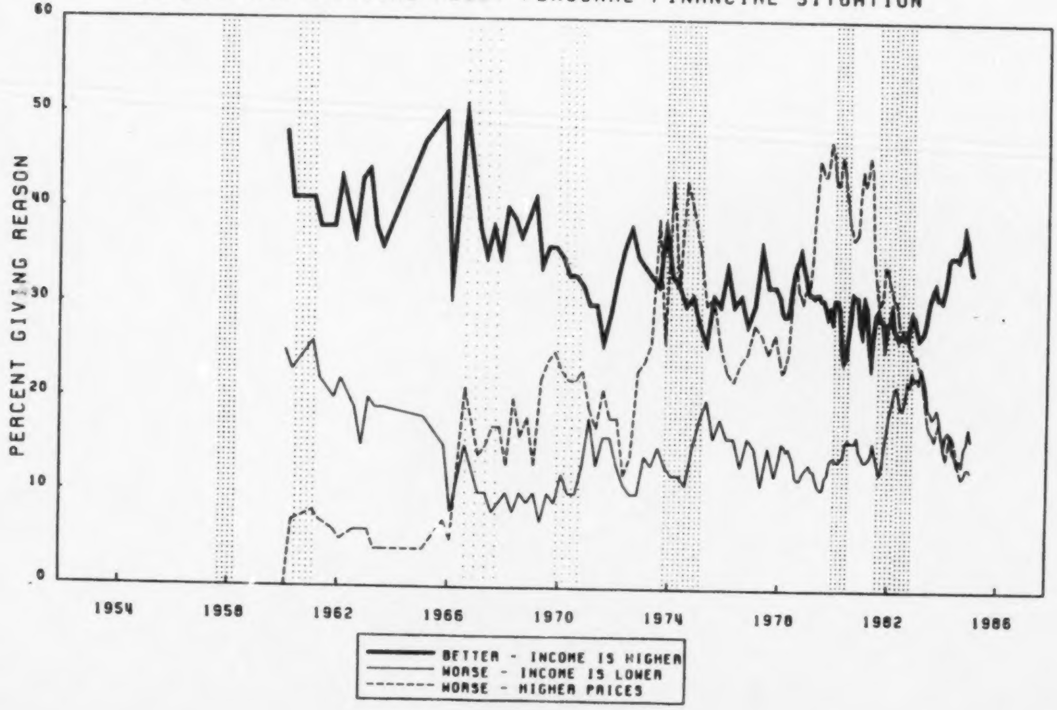


TABLE 5

SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
BETTER OFF THAN YEAR AGO:													
Income is higher	31%	35%	39%	32%	35%	39%	31%	38%	39%	37%	35%	33%	33%
WORSE OFF THAN YEAR AGO:													
Income is lower	17	19	15	15	14	14	12	16	12	18	17	17	14
Higher prices	14	15	17	18	14	14	13	11	12	14	13	12	13

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

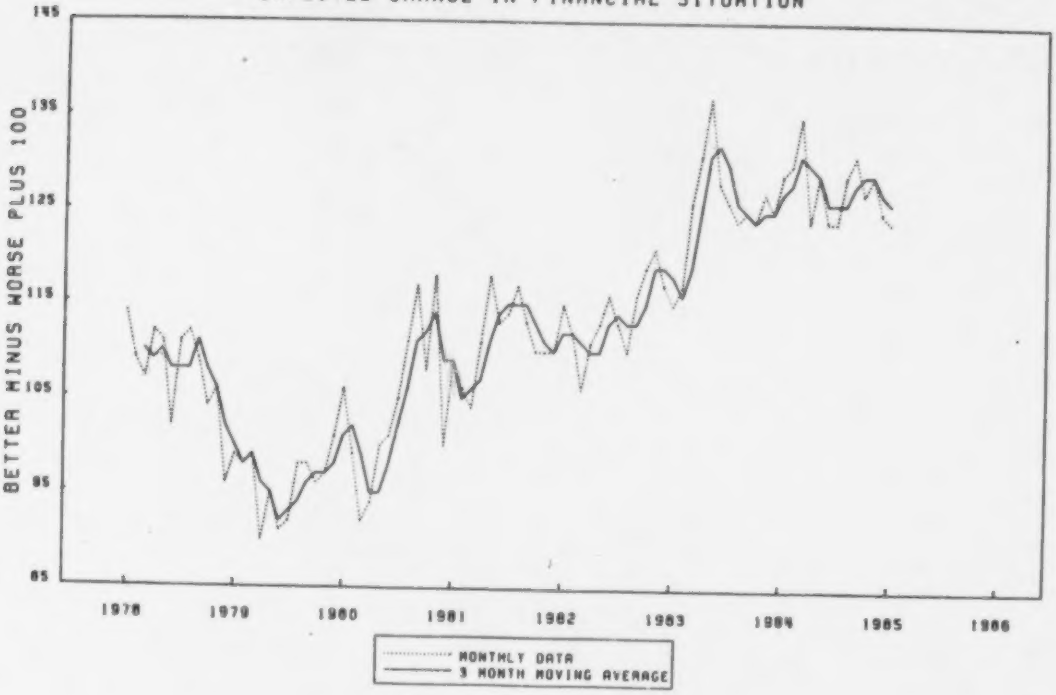


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION

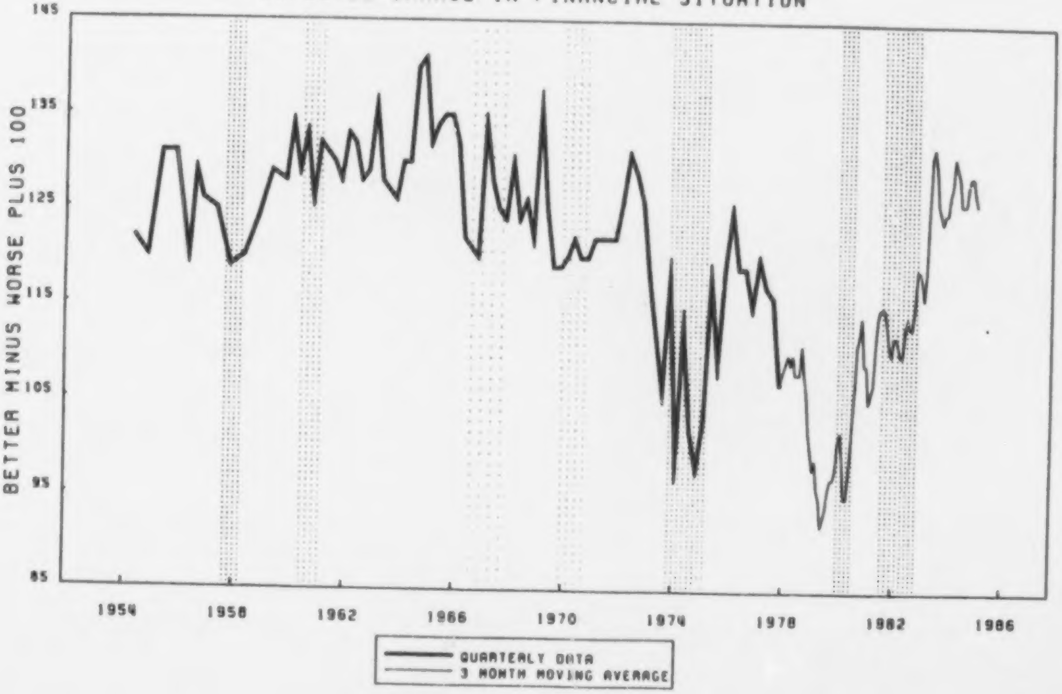


TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
BETTER OFF	38%	41%	44%	37%	40%	35%	34%	38%	39%	38%	39%	36%	35%
SAME	50	44	44	48	47	52	51	49	49	47	48	50	52
WORSE OFF	9	11	9	13	11	11	10	9	8	11	10	11	11
DK,NA	3	4	3	2	2	2	5	4	4	4	3	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

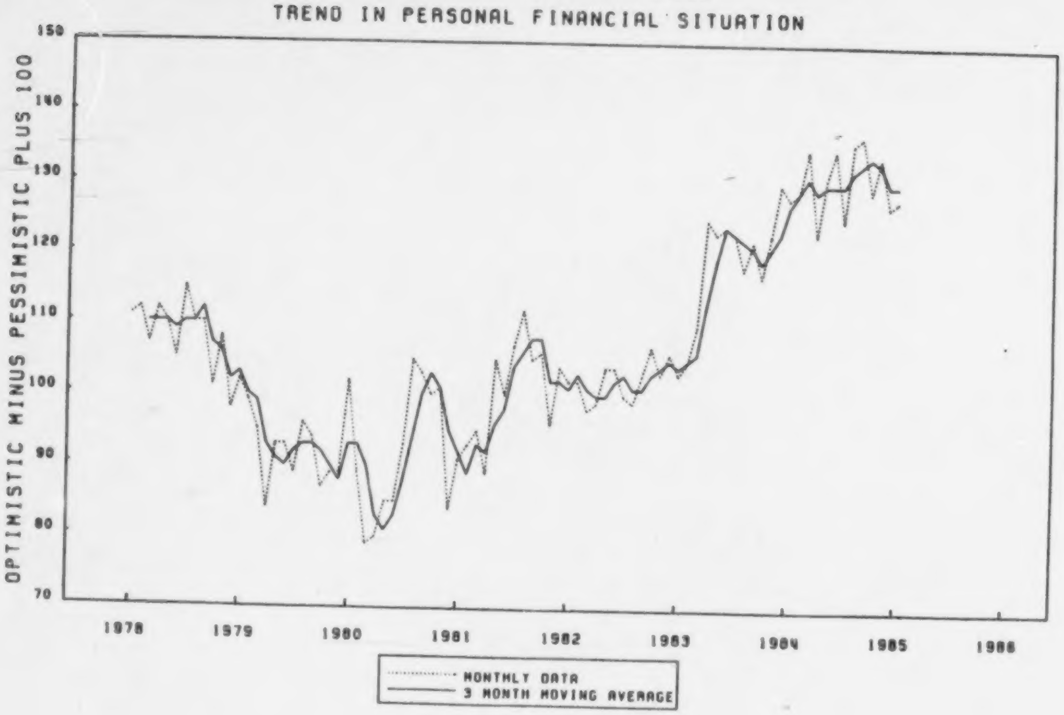


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION

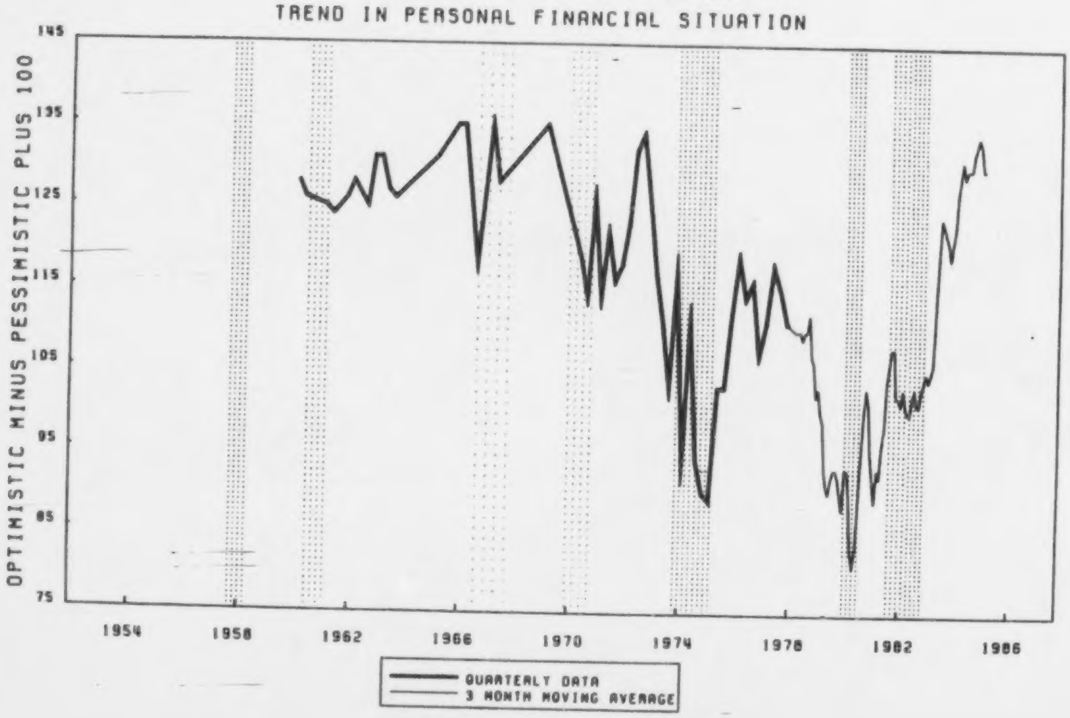


TABLE 7

TREND IN PERSONAL FINANCIAL SITUATION

PERSONAL FINANCIAL PROGRESS:	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
Continuous increase (a)	22%	24%	27%	23%	23%	20%	22%	24%	25%	21%	21%	23%	19%
Intermittent increase (b)	26	25	27	22	24	32	24	30	28	28	32	25	28
Remain unchanged (c)	18	17	14	19	21	19	21	17	20	17	15	19	22
Intermittent decline (d)	16	16	14	16	12	12	16	13	12	15	14	15	15
Continuous decline (e)	4	4	5	6	4	5	5	5	4	5	5	6	4
Mixed change (f)	10	10	10	11	14	10	7	8	7	10	10	9	9
DK,NA	4	4	3	3	2	2	5	3	4	4	3	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME

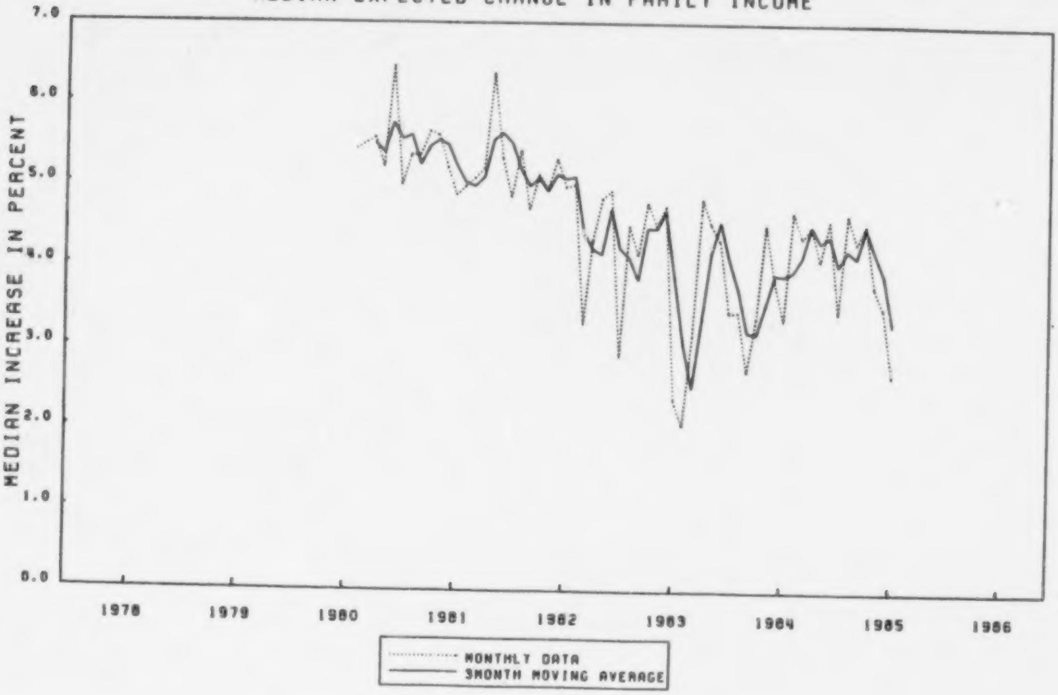


CHART 8 - HISTORICAL SERIES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME

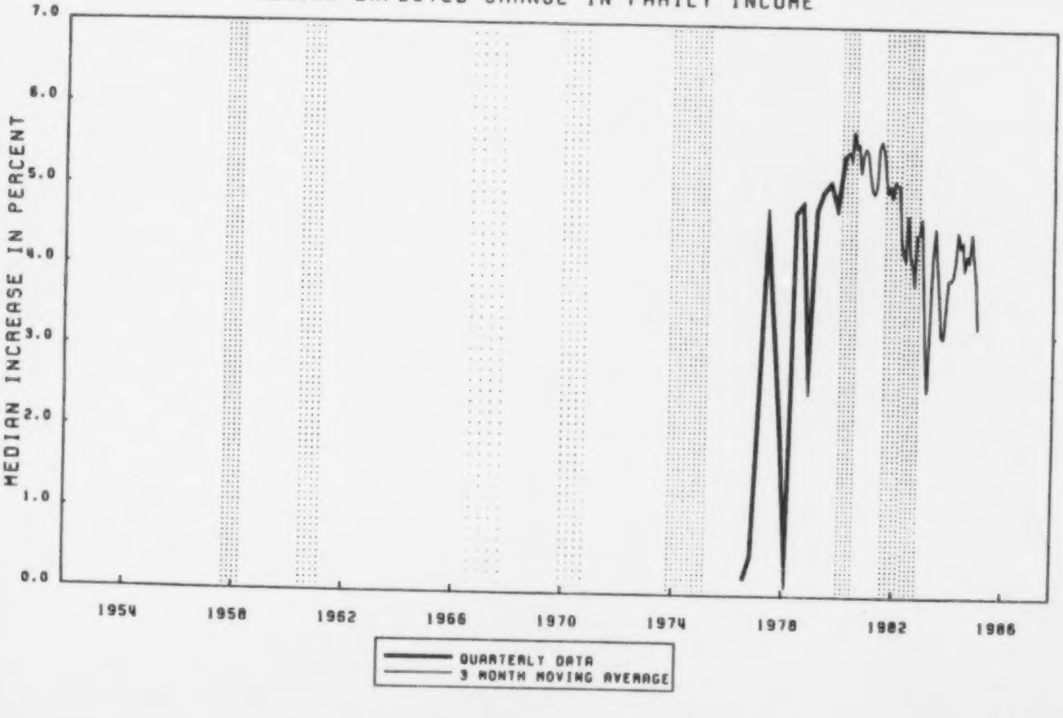


TABLE 8

EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
EXPECT INCREASE:													
1-4%	15%	13%	14%	11%	11%	12%	17%	13%	15%	10%	13%	12%	12%
5%	11	13	9	11	9	11	12	11	10	10	9	10	9
6-9%	8	10	8	8	7	12	8	11	10	8	7	8	9
10-24%	16	19	18	18	21	17	17	18	18	20	19	17	17
25% or more	7	6	11	8	8	7	6	7	7	8	8	7	6
DK how much up	4	4	6	5	6	3	4	3	4	5	6	7	3
EXPECT SAME	27	22	26	22	26	24	23	24	23	25	23	23	27
EXPECT DOWN	10	11	7	15	11	11	11	11	11	12	13	15	16
DK,NA	2	2	1	2	1	3	2	2	2	2	2	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES
INCOME OR PRICES UP MORE DURING THE LAST YEAR

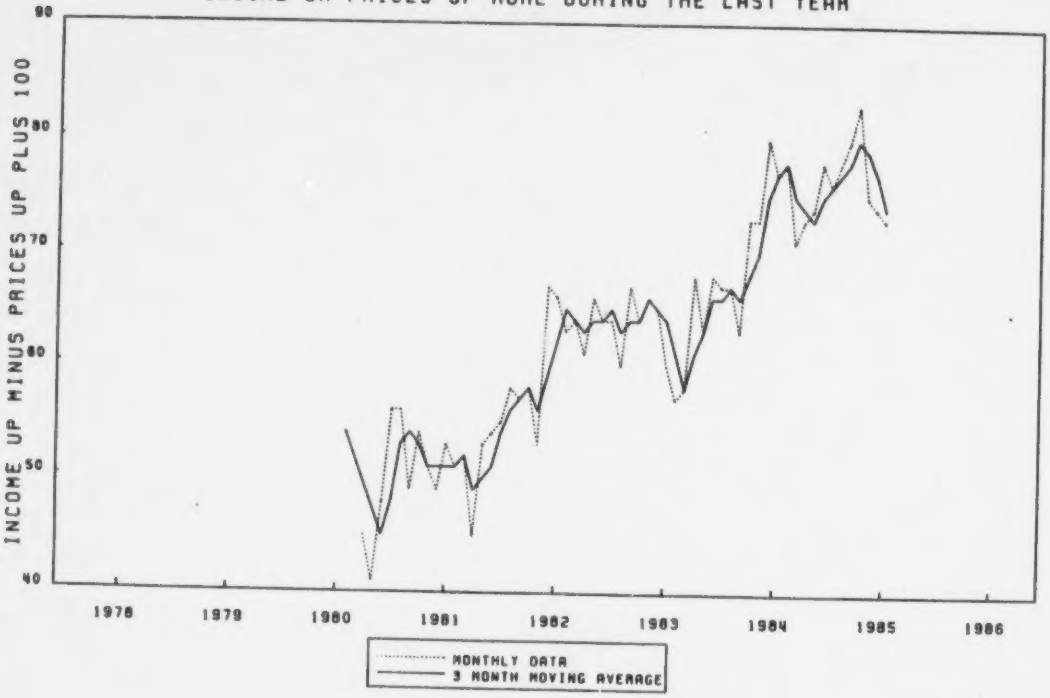


CHART 9 - HISTORICAL SERIES
INCOME OR PRICES UP MORE DURING THE LAST YEAR

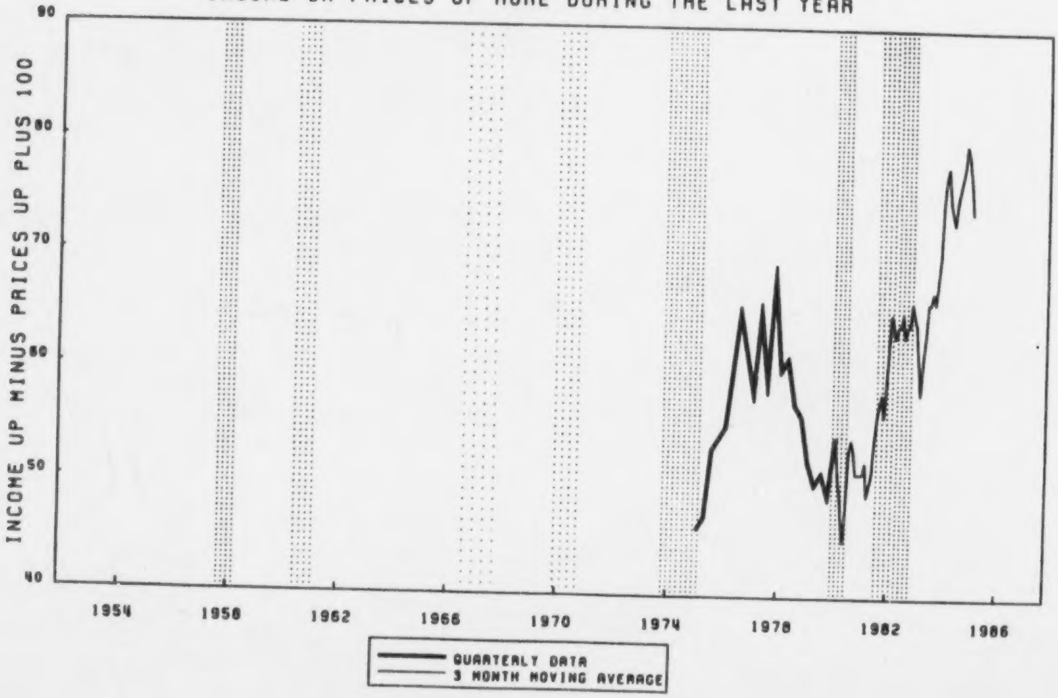


TABLE 9

PAST CHANGE IN REAL FAMILY INCOME

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
INCOME UP MORE	23%	22%	20%	20%	20%	21%	21%	21%	22%	25%	21%	19%	16%
INCOME UP SAME	29	32	30	32	33	34	33	34	36	31	31	35	40
PRICES UP MORE	46	44	49	47	46	43	45	43	42	42	46	45	43
DK,NA	2	2	1	1	1	2	1	2	*	2	2	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

* : Less than half of one percent.

CHART 10 - RECENT CHANGES
INCOME OR PRICES UP MORE NEXT YEAR

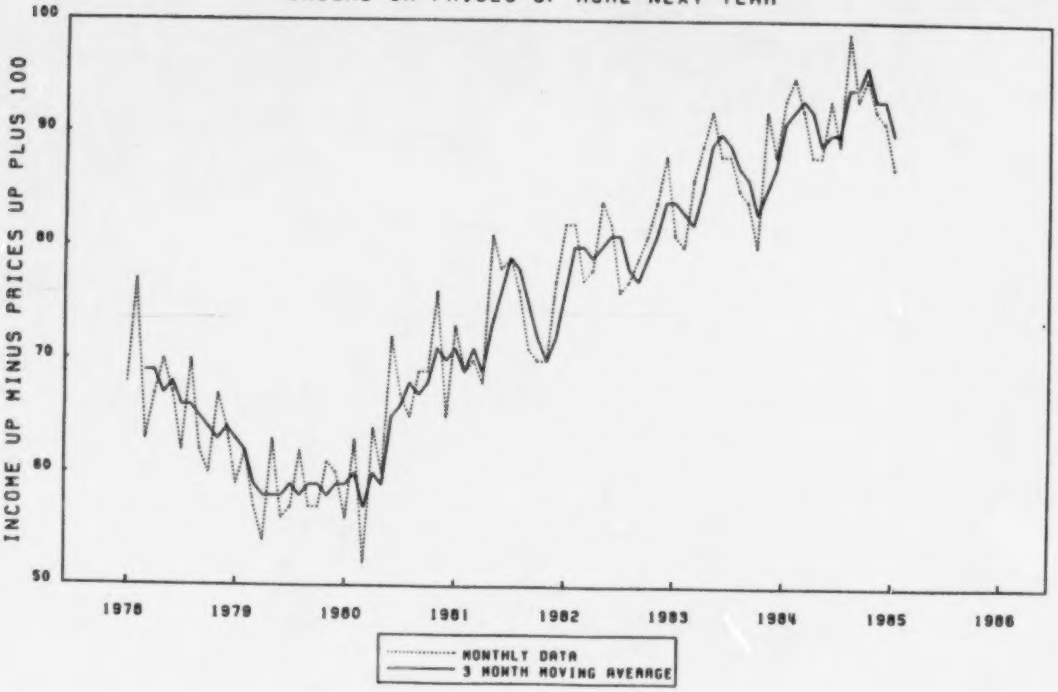


CHART 10 - HISTORICAL SERIES
INCOME OR PRICES UP MORE NEXT YEAR

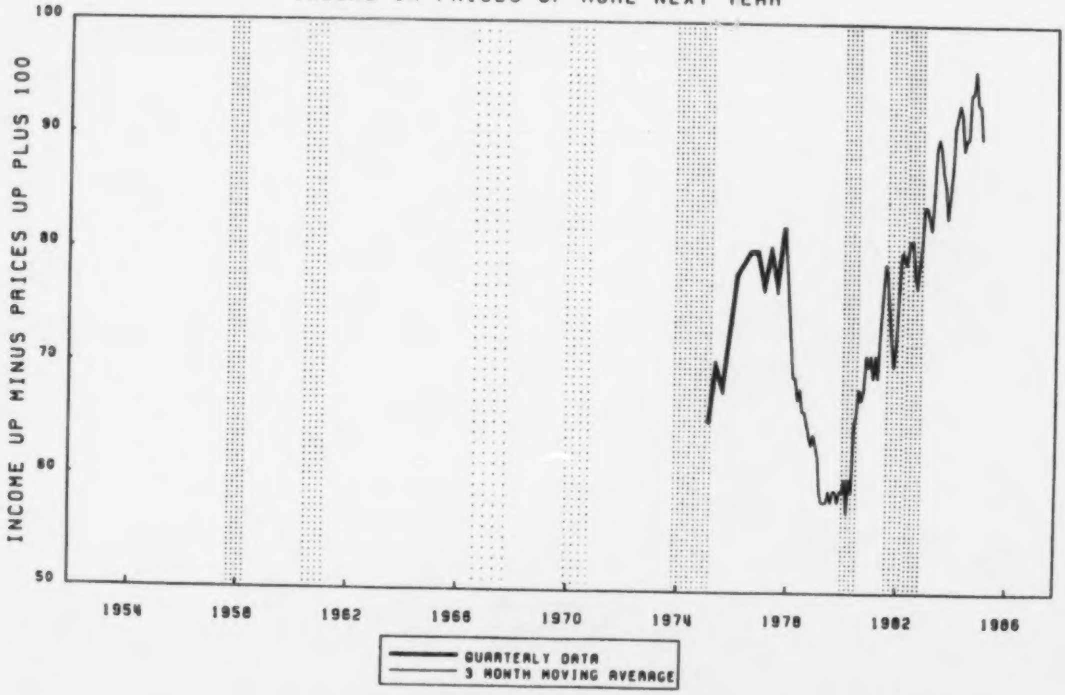


TABLE 10

EXPECTED CHANGE IN REAL FAMILY INCOME

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
INCOME UP MORE	23%	24%	23%	21%	22%	22%	22%	25%	23%	25%	23%	21%	20%
INCOME UP SAME	45	45	44	43	42	47	41	45	44	43	44	46	45
PRICES UP MORE	30	29	31	33	34	29	33	26	30	30	31	30	33
DK,NA	2	2	2	3	2	2	4	4	3	2	2	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON

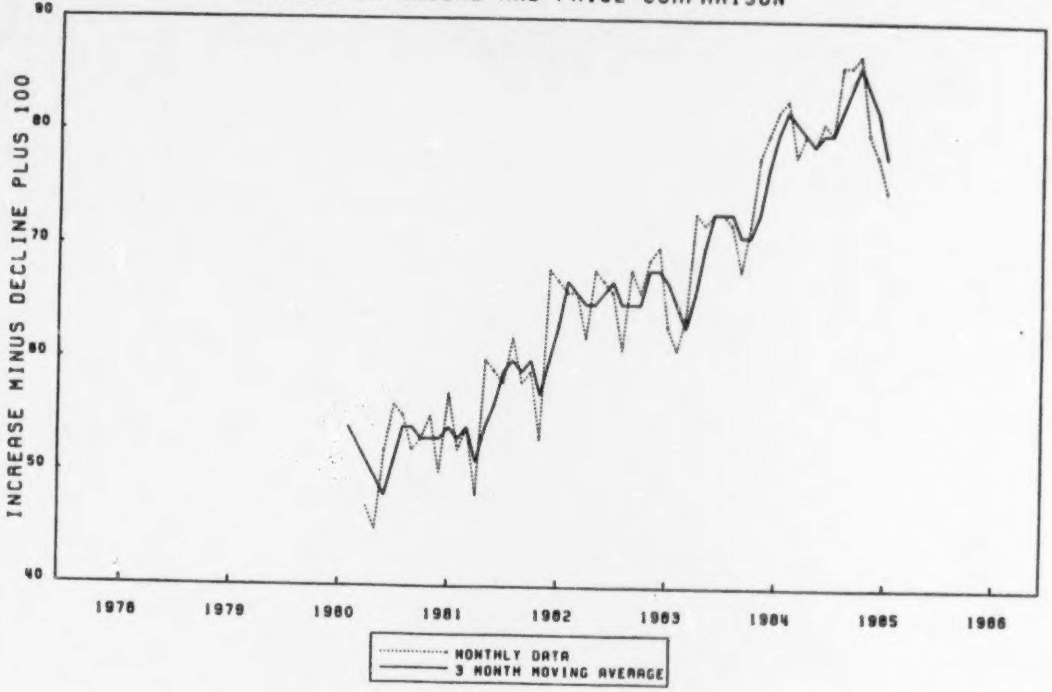


CHART 11 - HISTORICAL SERIES
TREND IN INCOME AND PRICE COMPARISON

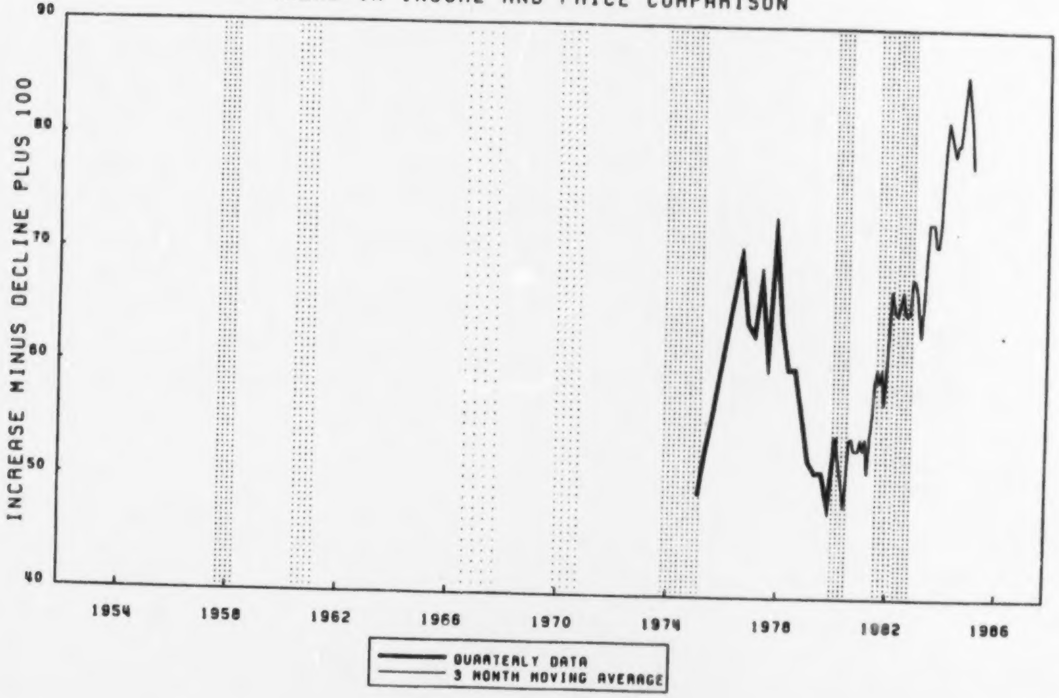


TABLE 11

TREND IN FAMILY INCOME AND PRICES COMPARISONS

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
REAL INCOME PROGRESS:													
Continuous increase (a)	12%	13%	12%	10%	9%	11%	10%	12%	12%	14%	12%	10%	8%
Intermittent increase (b)	14	13	12	14	17	13	14	15	16	14	14	12	13
Remain unchanged (c)	19	20	20	21	17	22	20	21	22	20	19	23	24
Intermittent decline (d)	21	22	20	18	22	23	20	22	20	18	22	22	23
Continuous decline (e)	23	21	26	26	25	20	24	19	22	23	24	22	23
Mixed change (f)	8	6	8	7	7	8	8	6	5	7	6	8	6
DK,NA	3	5	2	4	3	3	4	5	3	4	3	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART12 - RECENT CHANGES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

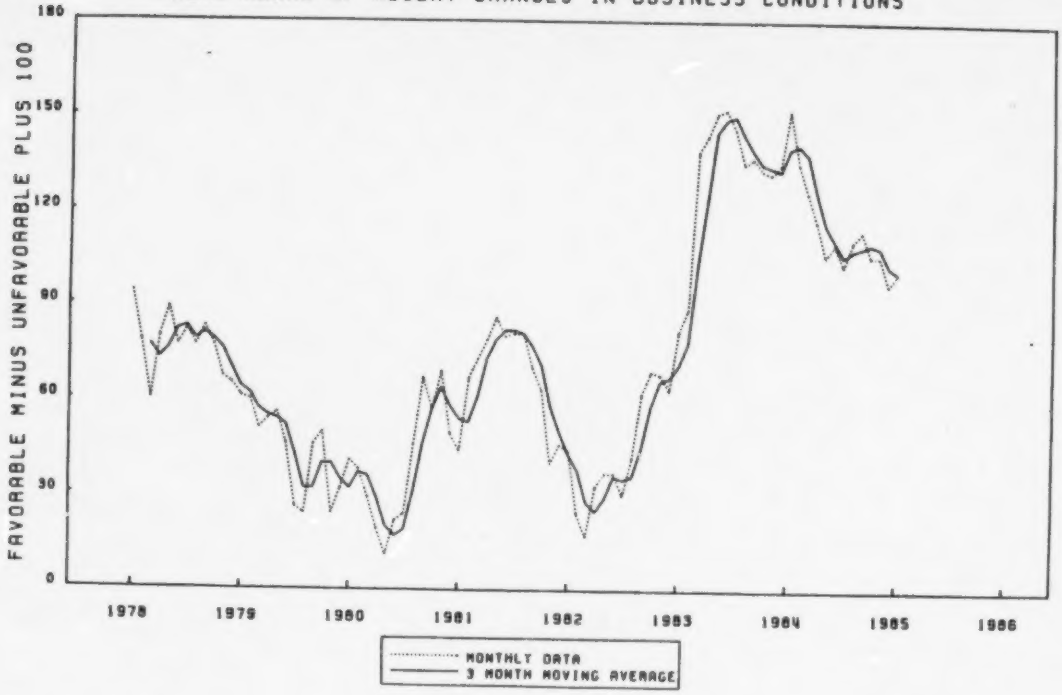


CHART12 - HISTORICAL SERIES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

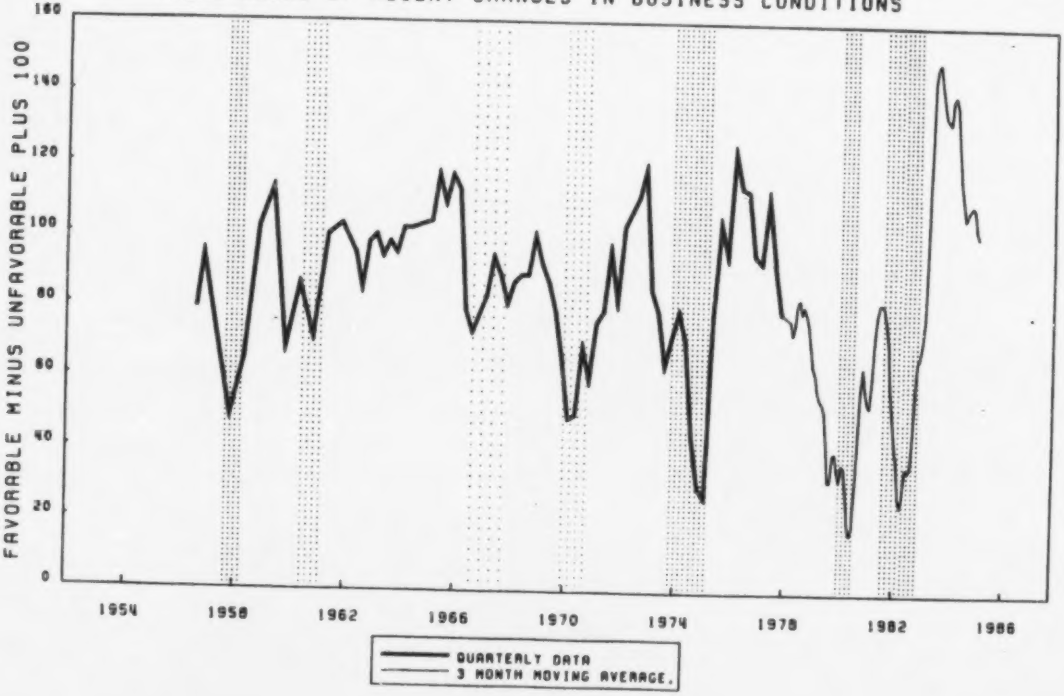


TABLE 12

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
FAVORABLE NEWS	78%	66%	58%	49%	47%	50%	42%	51%	52%	44%	41%	39%	43%
UNFAVORABLE NEWS	26	31	32	32	41	40	39	40	38	38	35	42	42
NO MENTIONS	33	38	43	46	41	41	46	39	41	44	49	46	44

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

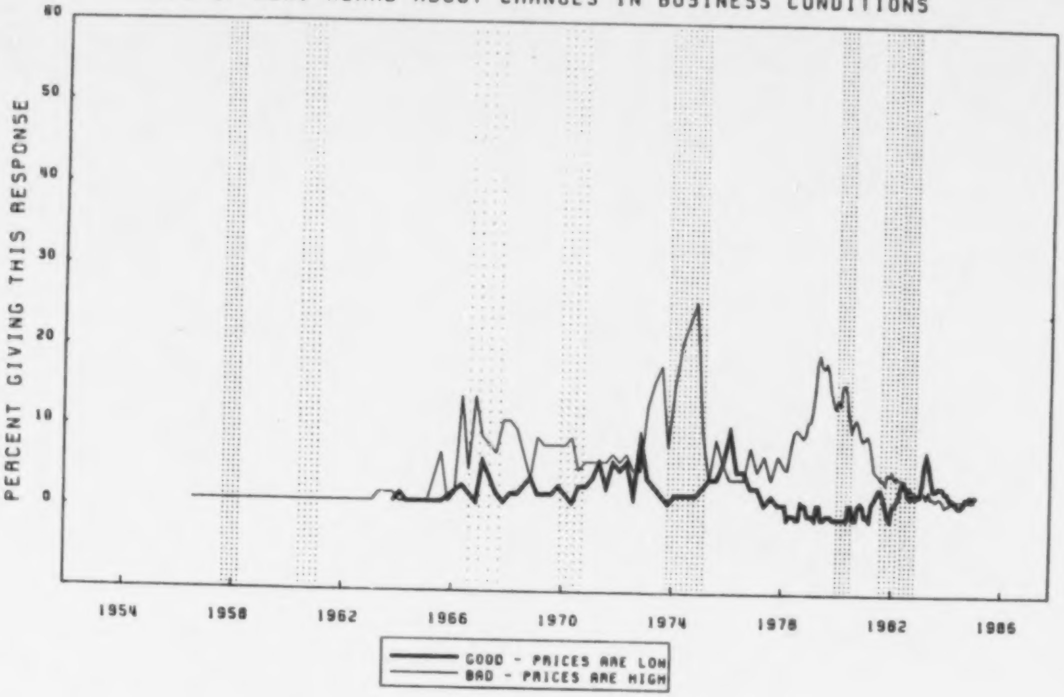


CHART 13B - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

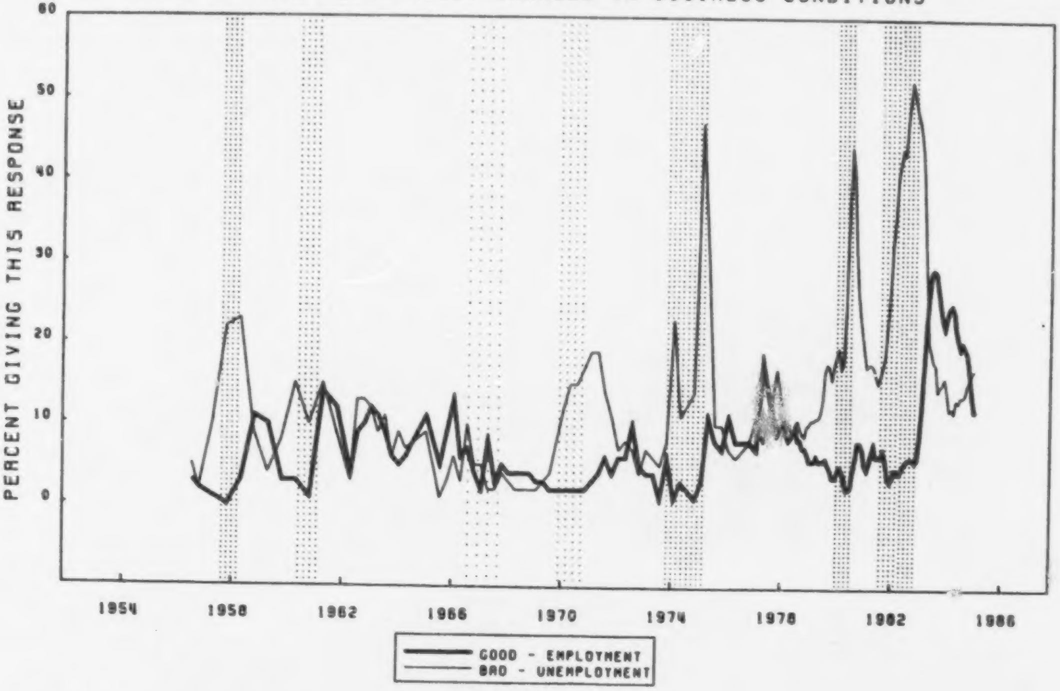


TABLE 13

SELECTED ITEMS OF NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
FAVORABLE NEWS:													
Government; elections	3%	2%	1%	1%	1%	2%	2%	2%	3%	1%	2%	3%	4%
Employment	27	25	25	23	18	21	20	20	19	18	13	11	12
Consumer demand high	18	15	10	8	10	8	4	7	7	5	4	5	5
Prices are low	3	1	2	1	1	1	1	2	3	1	3	2	2
Credit is easy	5	4	5	4	2	3	2	4	3	4	8	9	10
UNFAVORABLE NEWS:													
Government; elections	2	5	4	2	3	2	4	4	4	3	3	6	5
Unemployment	13	10	14	11	15	13	13	15	14	17	16	17	18
Consumer demand low	2	1	1	*	2	1	2	2	2	1	2	3	3
Prices are high	2	1	2	1	2	2	1	2	2	1	2	2	1
Credit is tight	1	2	3	9	10	12	13	9	6	5	3	2	2
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

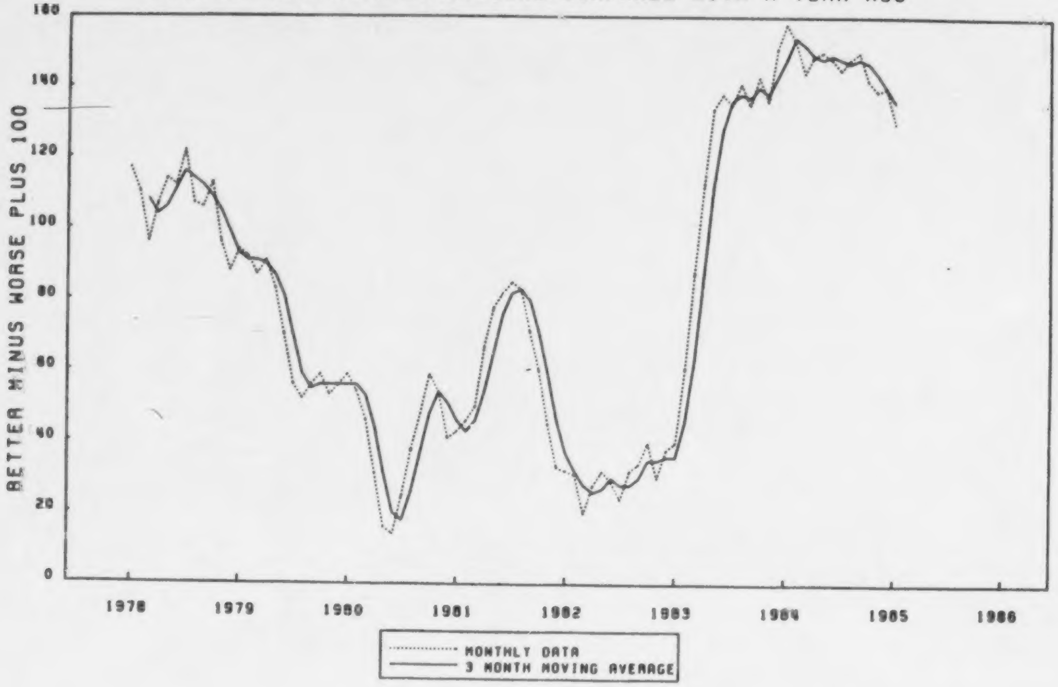


CHART 14 - HISTORICAL SERIES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

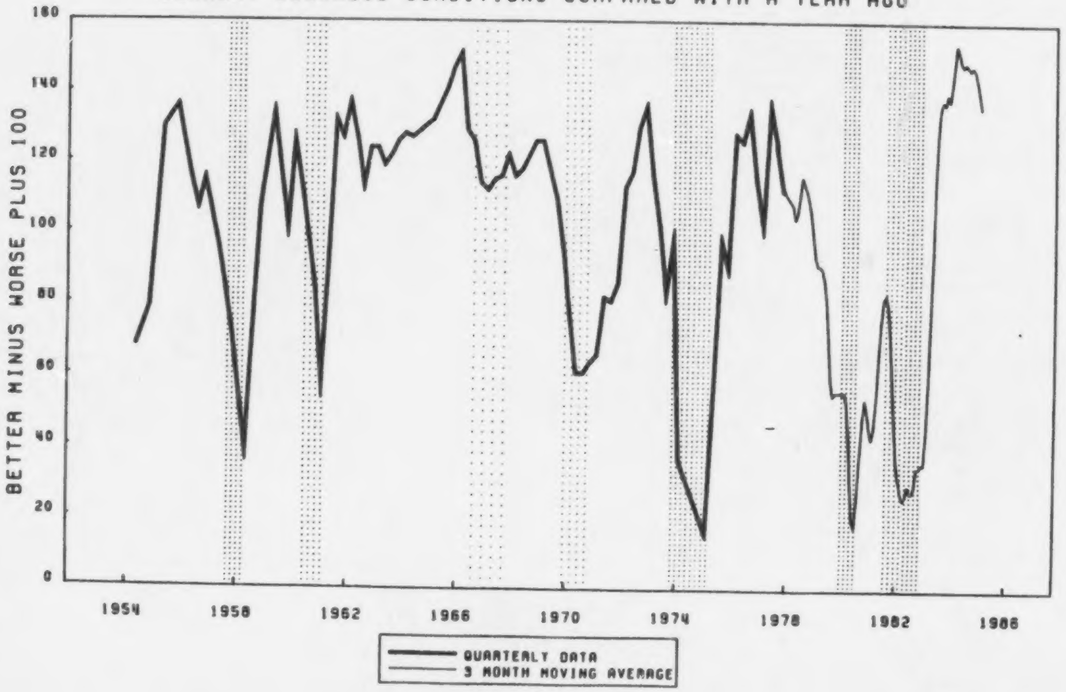


TABLE 14

CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
BETTER NOW	75%	72%	67%	68%	70%	67%	67%	68%	68%	65%	63%	63%	57%
SAME	6	8	9	11	9	12	9	11	12	10	12	13	14
WORSE NOW	17	19	23	19	20	19	22	20	18	23	24	23	27
DK,NA	2	1	1	2	1	2	2	1	2	2	1	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

CHART 15 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

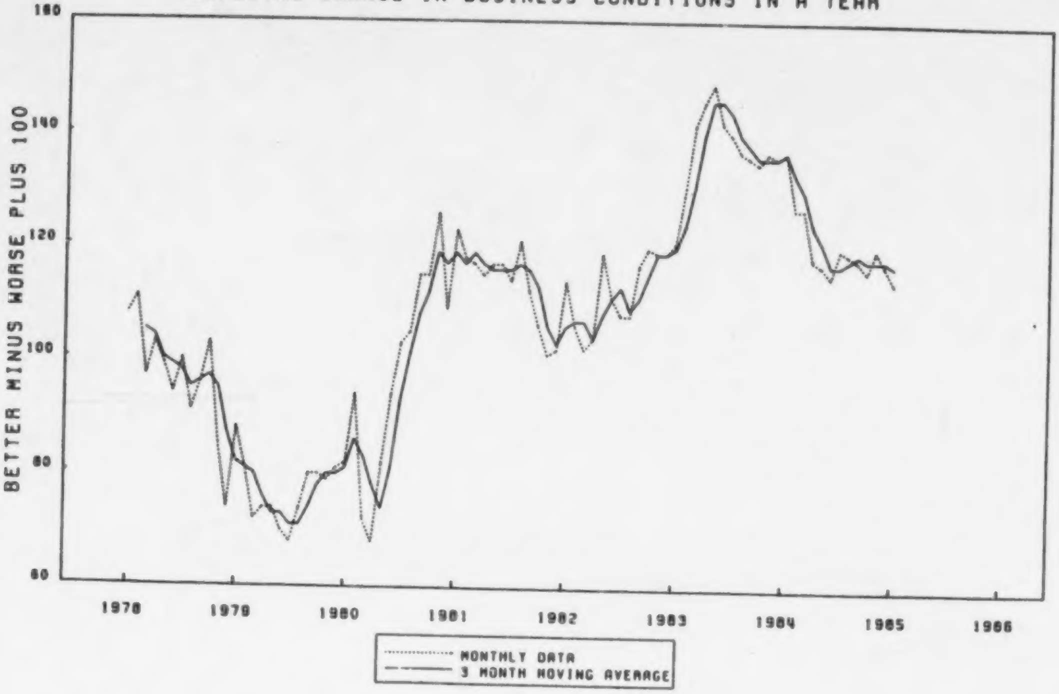


CHART 15 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

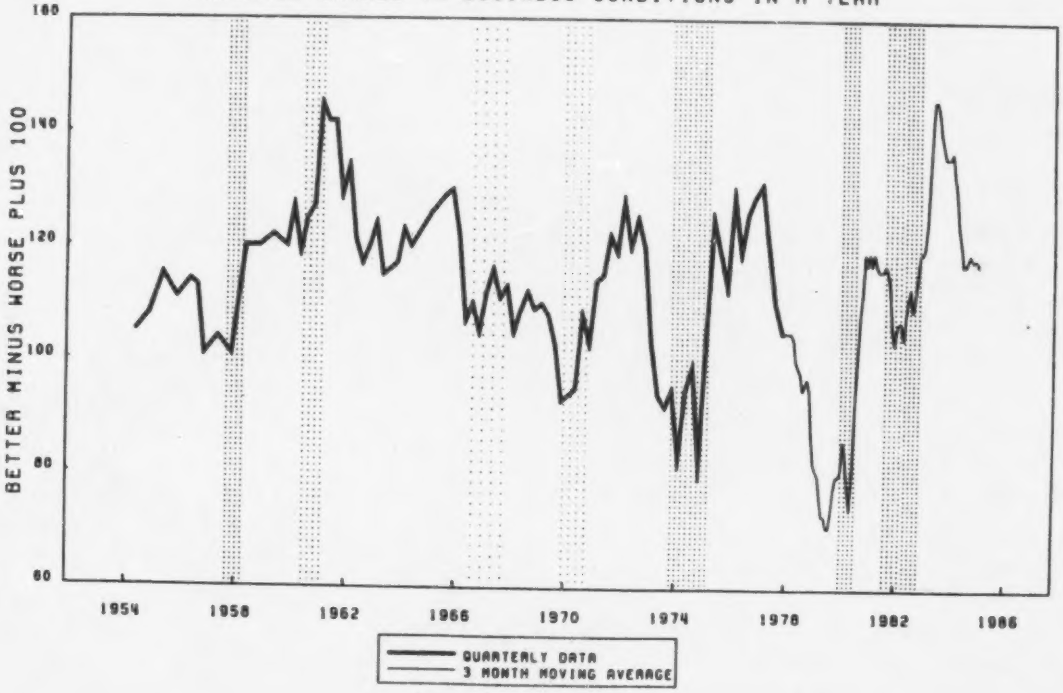


TABLE 15

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
BETTER	46%	38%	38%	32%	31%	30%	32%	33%	33%	32%	35%	33%	29%
SAME	43	48	49	52	53	53	51	49	48	49	48	47	55
WORSE	9	11	11	14	14	15	12	14	15	16	15	16	15
DK,NA	2	3	2	2	2	2	5	4	4	3	2	4	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

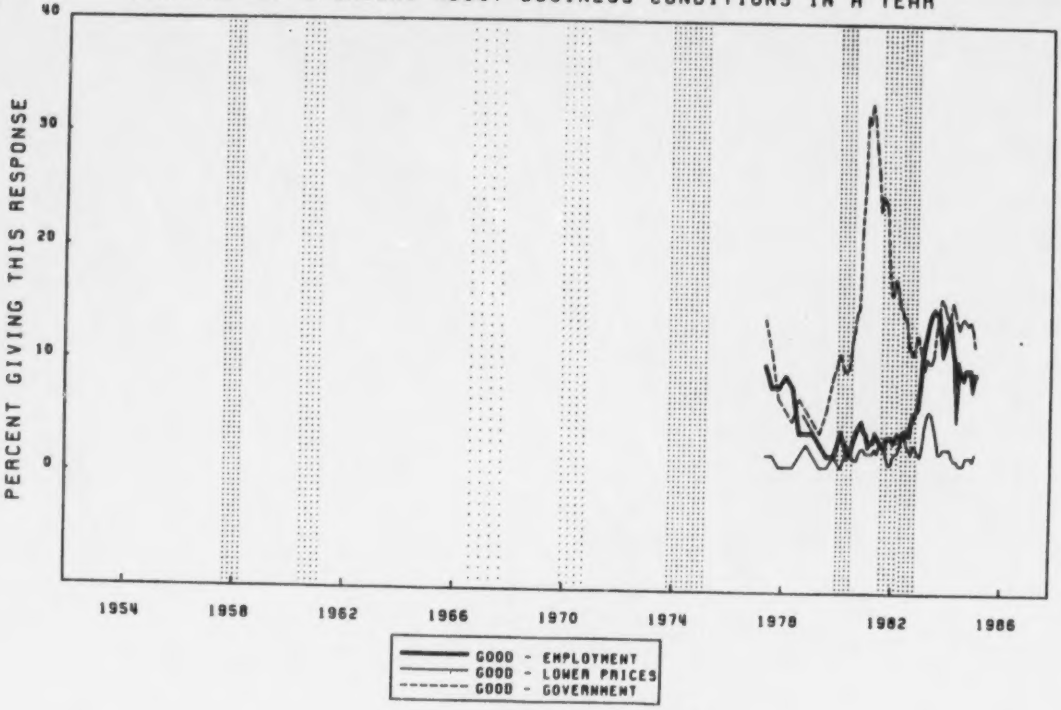


CHART 16B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

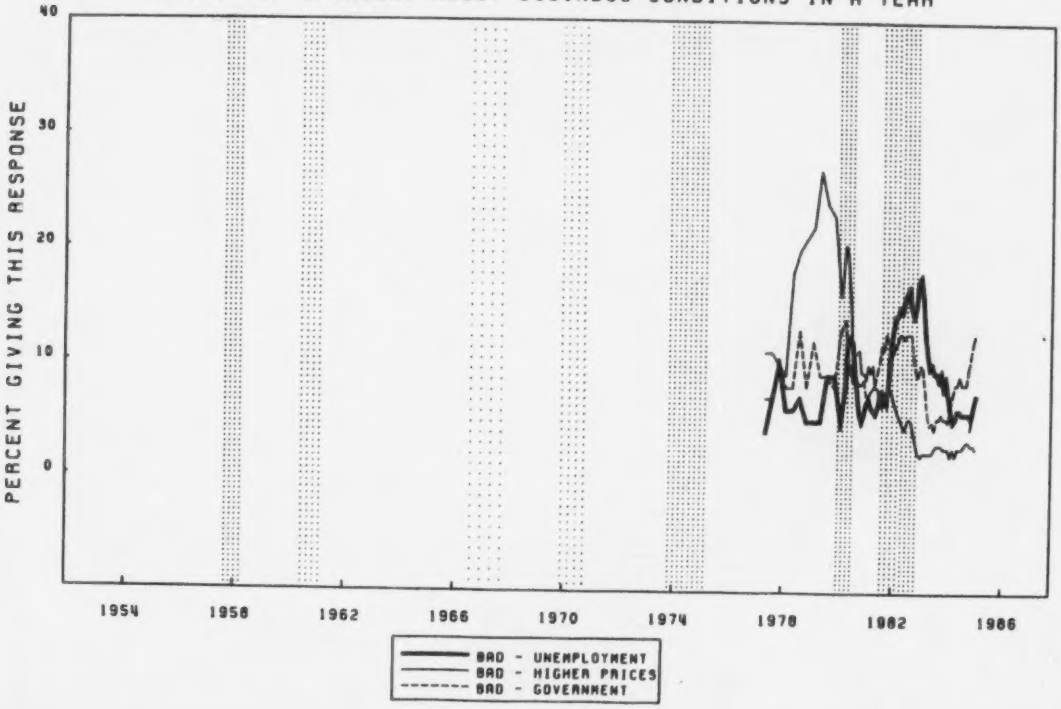


TABLE 16

REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
FAVORABLE REASONS:													
Government; elections	15%	15%	17%	13%	12%	15%	15%	13%	14%	14%	14%	12%	9%
Employment	15	11	10	11	9	10	9	8	12	9	8	8	12
Higher consumer demand	8	5	4	4	5	4	5	5	2	2	5	4	4
Lower prices	3	1	2	1	2	1	1	2	3	1	2	2	3
Easier credit	3	4	2	2	2	2	4	4	4	3	5	6	4
UNFAVORABLE REASONS:													
Government; elections	4	9	9	7	9	11	5	9	11	9	12	15	11
Unemployment	6	4	5	7	6	5	6	6	5	6	5	8	9
Lower consumer demand	2	1	1	2	2	2	2	3	2	2	3	4	2
Higher prices	3	1	3	2	3	2	3	4	3	3	3	3	2
Tighter credit	2	4	2	7	7	8	7	5	4	4	3	3	4
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

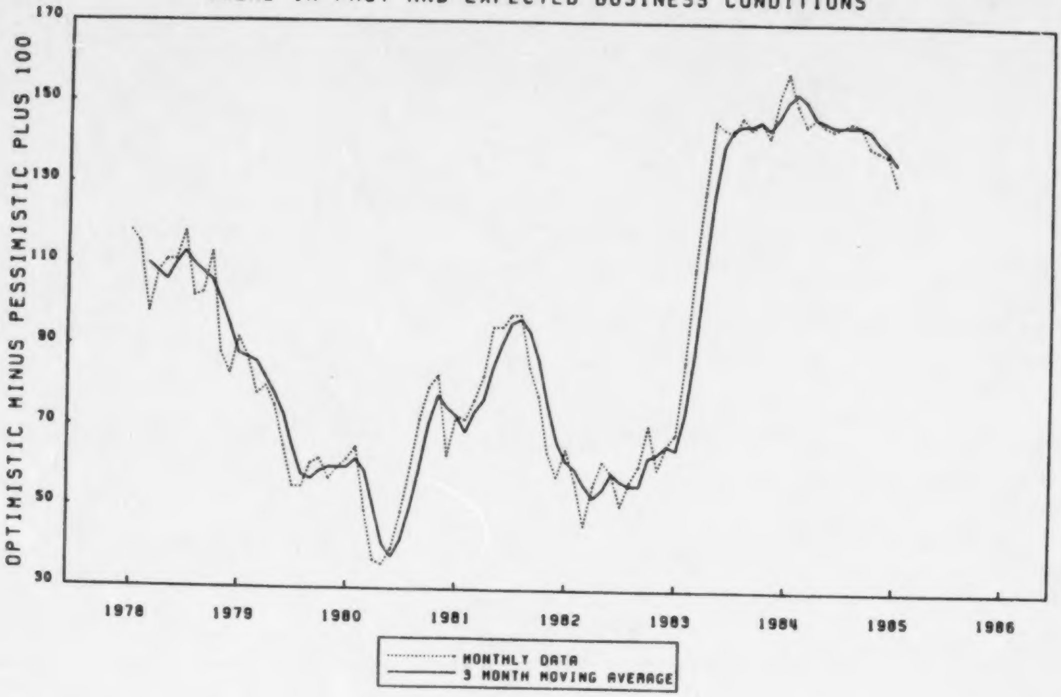


CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

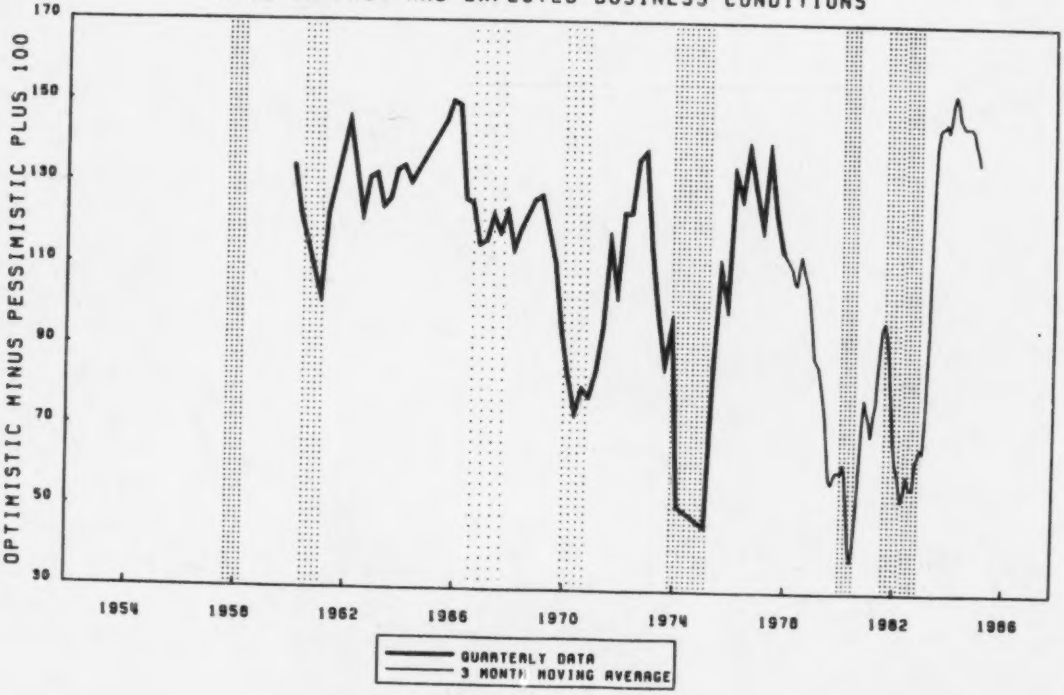


TABLE 17

TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
TREND:													
Continuous increase (a)	41%	32%	31%	25%	27%	25%	25%	25%	27%	24%	28%	27%	21%
Intermittent increase (b)	31	34	32	39	36	37	38	36	35	36	32	32	36
Remain unchanged (c)	4	5	6	7	7	7	4	6	6	5	6	7	8
Intermittent decline (d)	10	12	14	10	13	11	12	10	11	12	14	13	17
Continuous decline (e)	4	4	4	7	5	7	6	5	6	8	7	8	9
Mixed change (f)	7	10	10	9	10	9	9	12	10	10	9	9	7
DK,NA	3	3	3	3	2	4	6	6	5	5	4	4	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

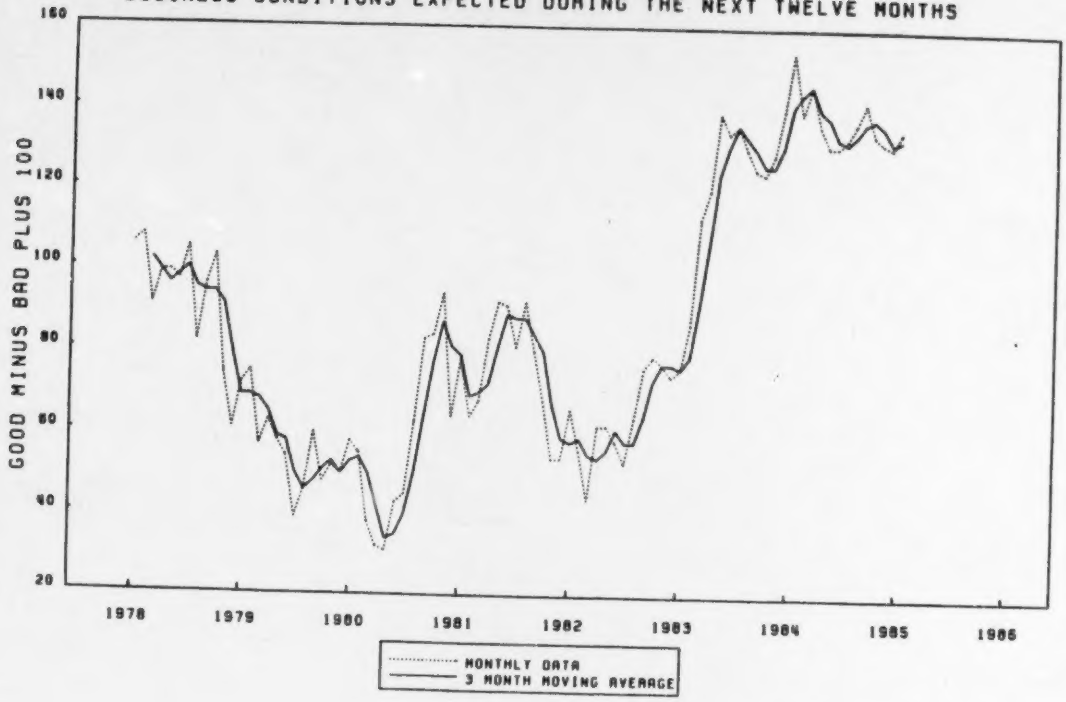


CHART 18 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

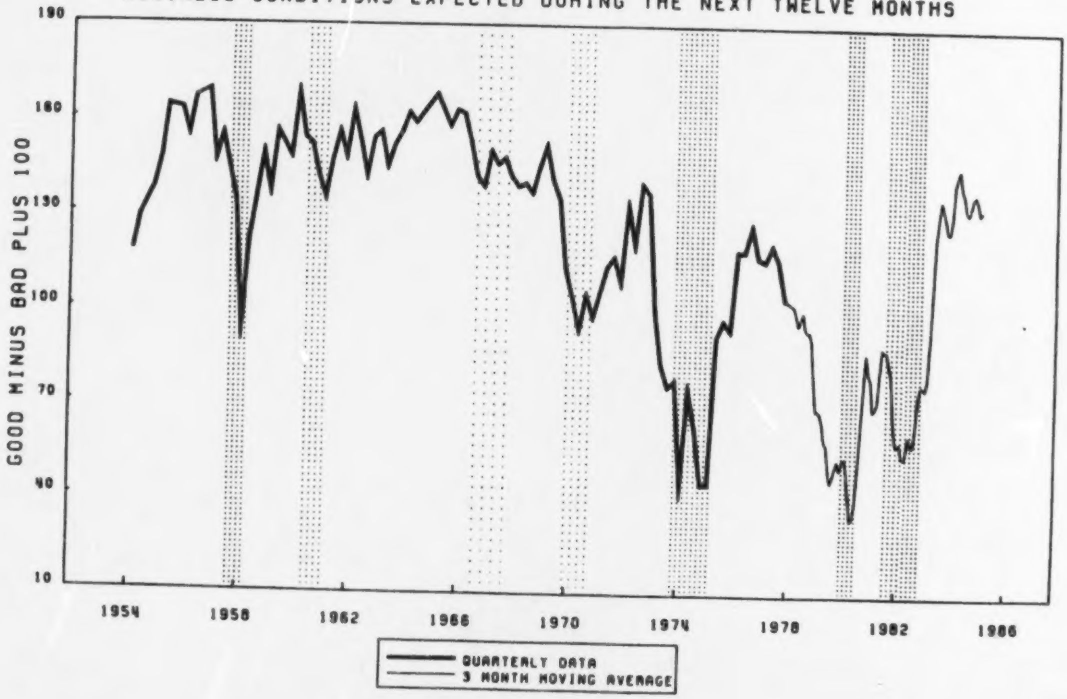


TABLE 18

BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
GOOD TIMES	73%	65%	69%	63%	60%	60%	61%	62%	66%	60%	59%	59%	63%
UNCERTAIN; GOOD & BAD	2	2	2	3	3	2	2	3	3	4	3	3	4
BAD TIMES	19	26	23	27	29	29	28	25	24	26	27	28	28
DON'T KNOW	5	5	4	5	5	6	6	7	6	6	7	7	4
NOT ASCERTAINED	1	2	2	2	3	3	3	3	1	4	4	3	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

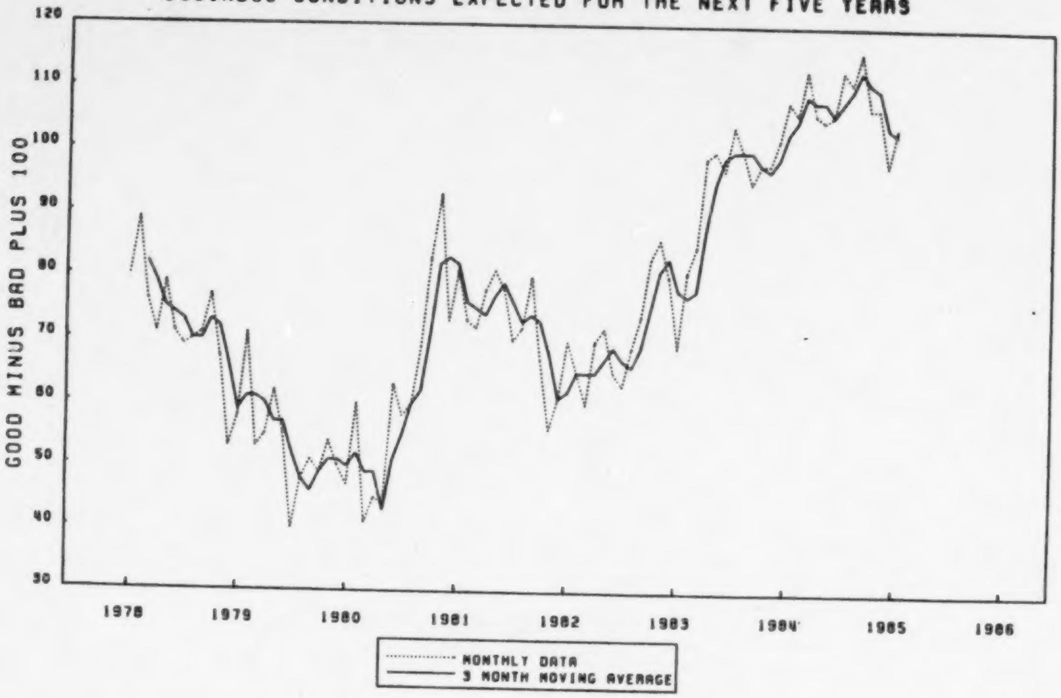


CHART 19 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

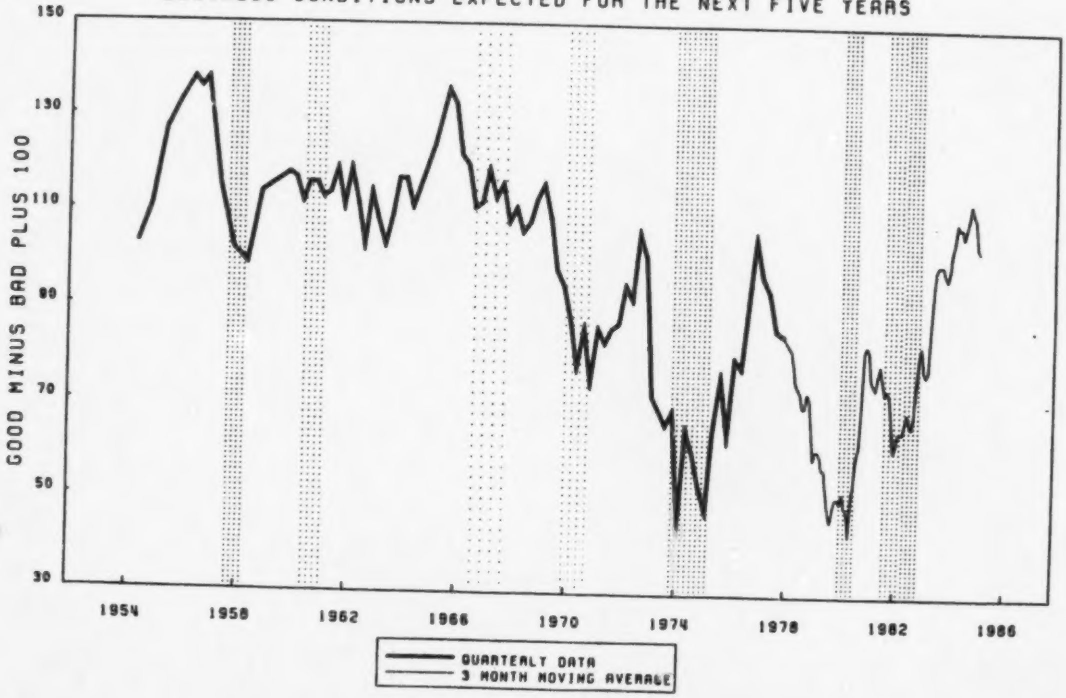


TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
GOOD TIMES	44%	42%	47%	41%	43%	42%	44%	47%	47%	43%	42%	39%	43%
UNCERTAIN; GOOD & BAD	17	16	15	19	15	17	19	13	17	17	17	15	15
BAD TIMES	36	36	34	35	38	36	31	36	31	36	35	41	39
NOT ASCERTAINED	3	6	4	5	4	5	6	4	5	4	6	5	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

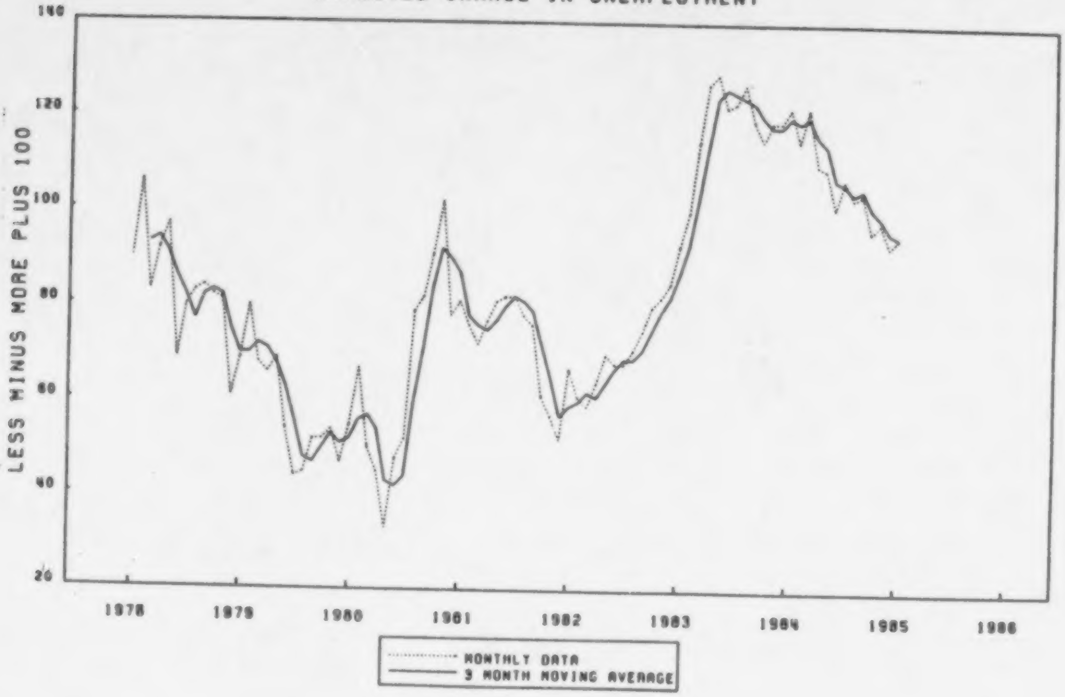


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

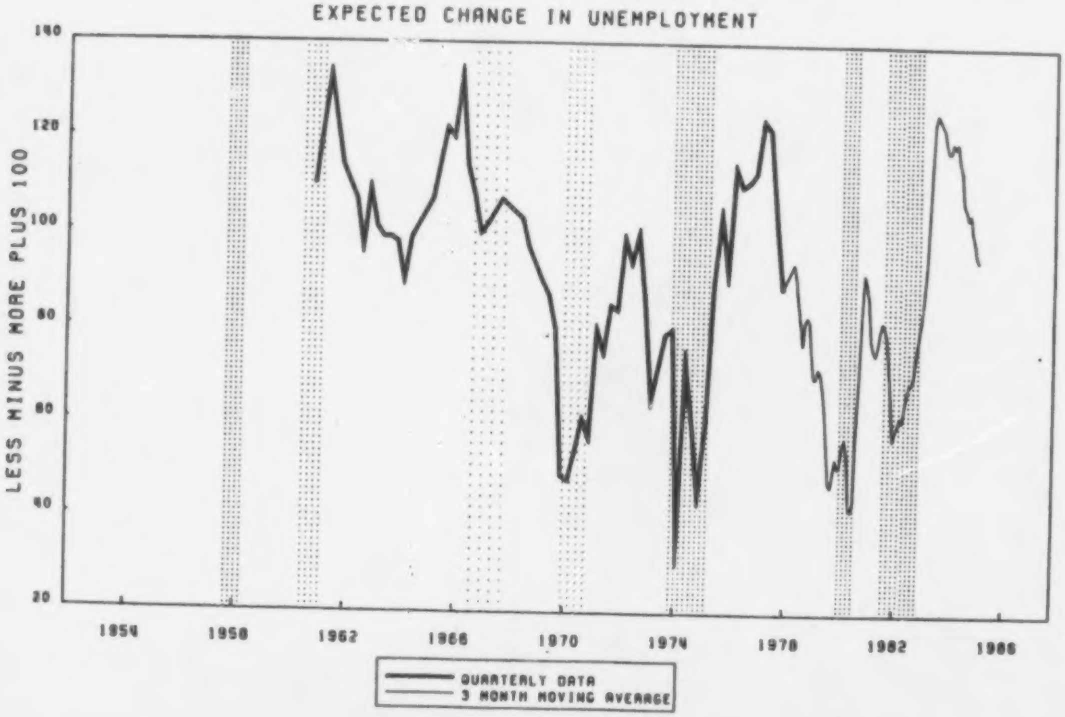


TABLE 20

EXPECTED CHANGE IN UNEMPLOYMENT

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
LESS	36%	31%	38%	28%	29%	24%	26%	24%	26%	20%	22%	21%	20%
SAME	48	50	45	52	51	52	53	54	50	54	52	50	54
MORE	14	16	16	18	20	23	19	21	22	24	24	28	25
DK,NA	2	3	1	2	*	1	2	1	2	2	2	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

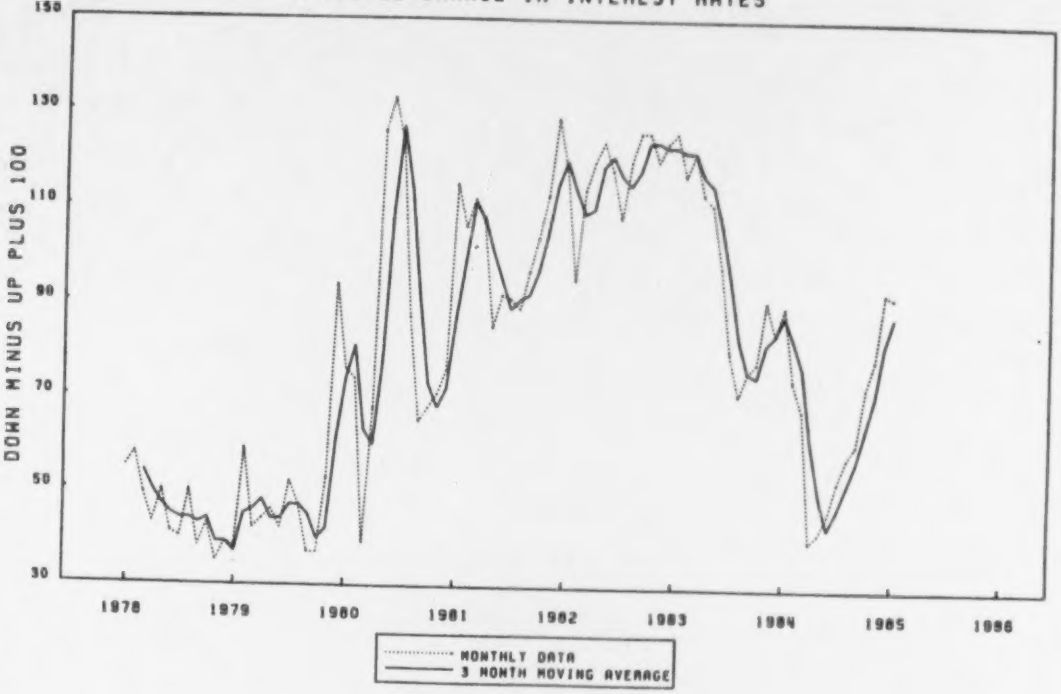


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

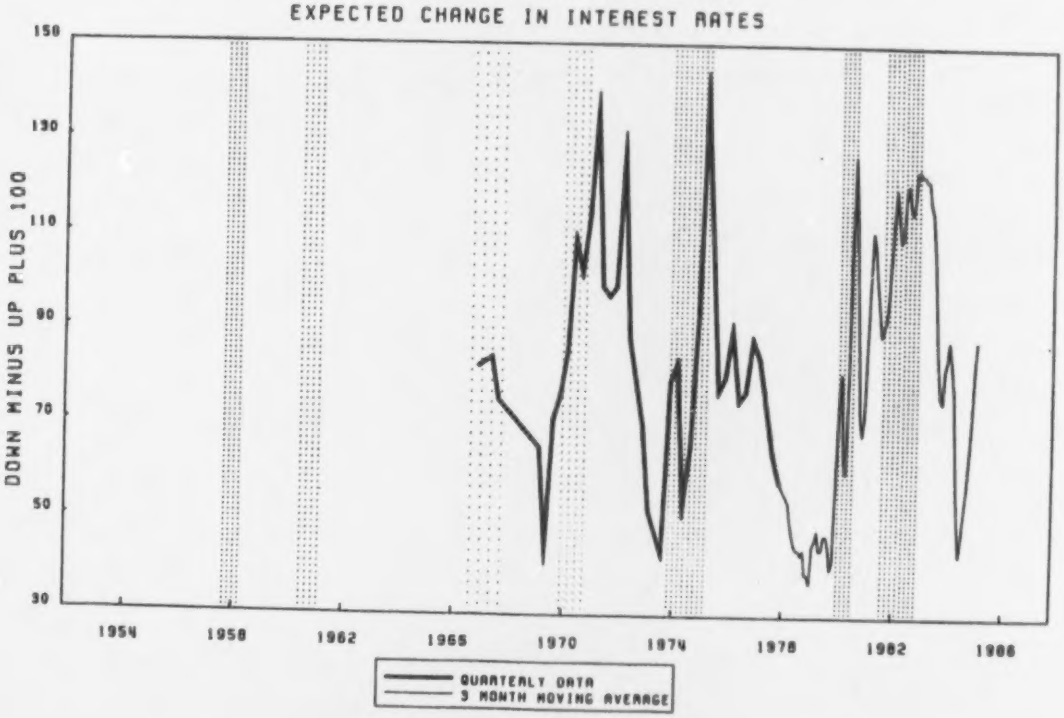


TABLE 21

EXPECTED CHANGE IN INTEREST RATES

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
GO UP	32%	42%	45%	68%	66%	64%	58%	55%	52%	45%	44%	37%	36%
STAY THE SAME	43	38	37	21	25	24	27	29	32	33	31	30	33
GO DOWN	22	16	13	8	8	10	11	13	13	18	23	30	28
DK,NA	3	4	5	3	1	2	4	3	3	4	2	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES
CHANGE IN PRICES DURING THE LAST 12 MONTHS

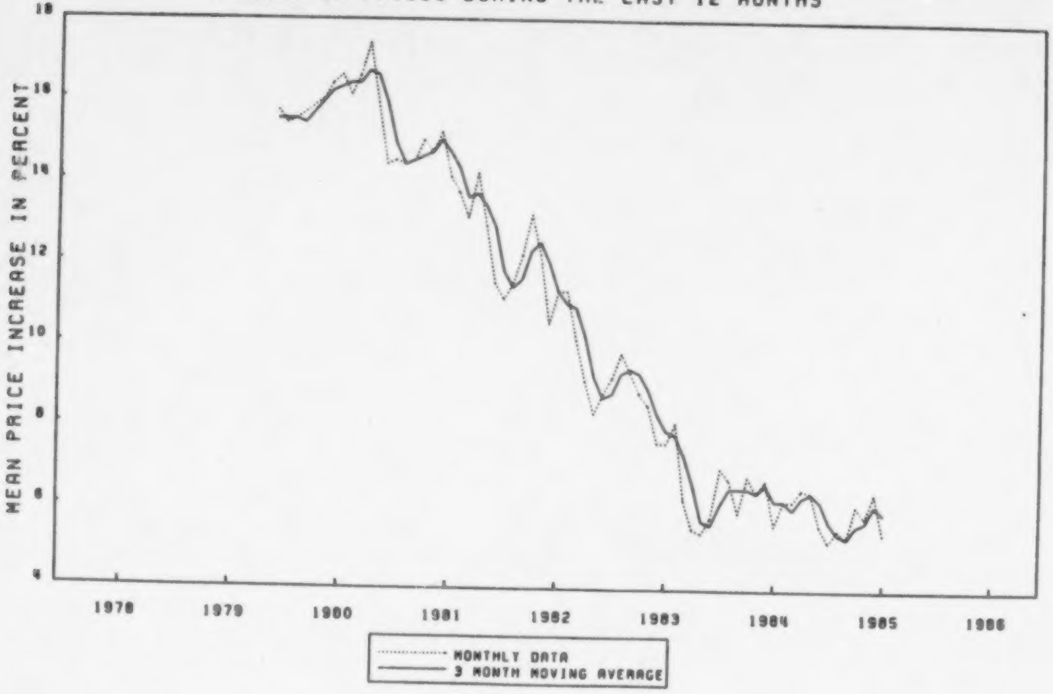


CHART 22 - HISTORICAL SERIES
CHANGE IN PRICES DURING THE LAST 12 MONTHS

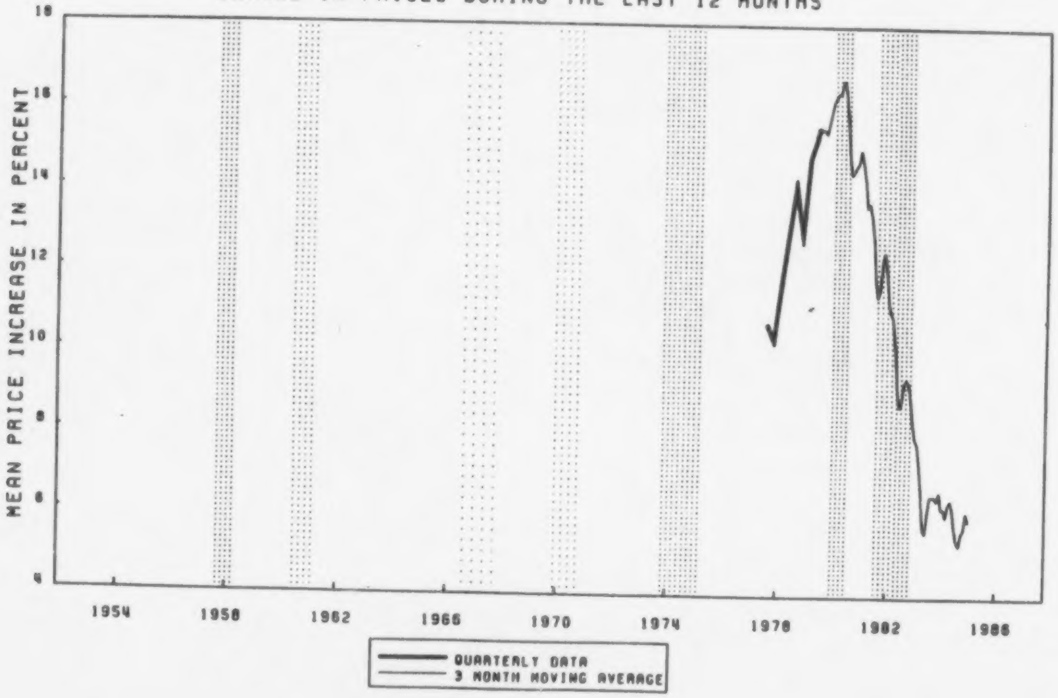


TABLE 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
SAME OR DOWN	23%	23%	23%	22%	23%	22%	27%	29%	29%	28%	27%	24%	25%
GONE UP BY:													
1-2%	12	9	8	10	10	12	8	10	9	9	11	9	11
3-4%	16	14	16	14	14	17	17	12	16	15	15	14	17
5%	17	17	15	17	17	16	16	18	16	13	14	18	17
6-9%	8	9	10	11	9	8	8	8	7	7	5	6	7
10-14%	9	14	12	9	13	12	11	11	9	11	11	11	10
15% or more	7	9	9	12	10	8	8	7	8	11	10	10	8
DK how much up	7	5	7	5	4	5	4	5	6	5	6	7	5
DK,NA	1	*	*	*	*	*	1	*	*	1	1	1	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	5.6	6.2	6.2	6.5	6.4	5.6	5.2	5.5	5.3	6.1	5.8	6.4	5.4
VARIANCE	69	68	72	75	78	54	48	75	63	84	76	86	66
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

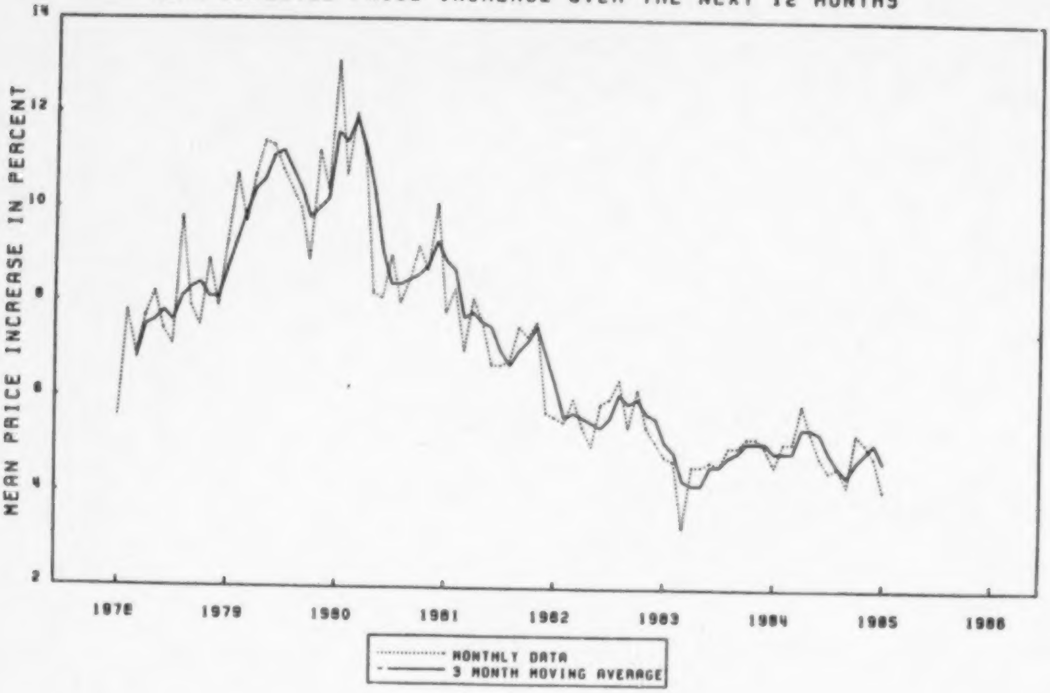


CHART 23 - HISTORICAL SERIES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

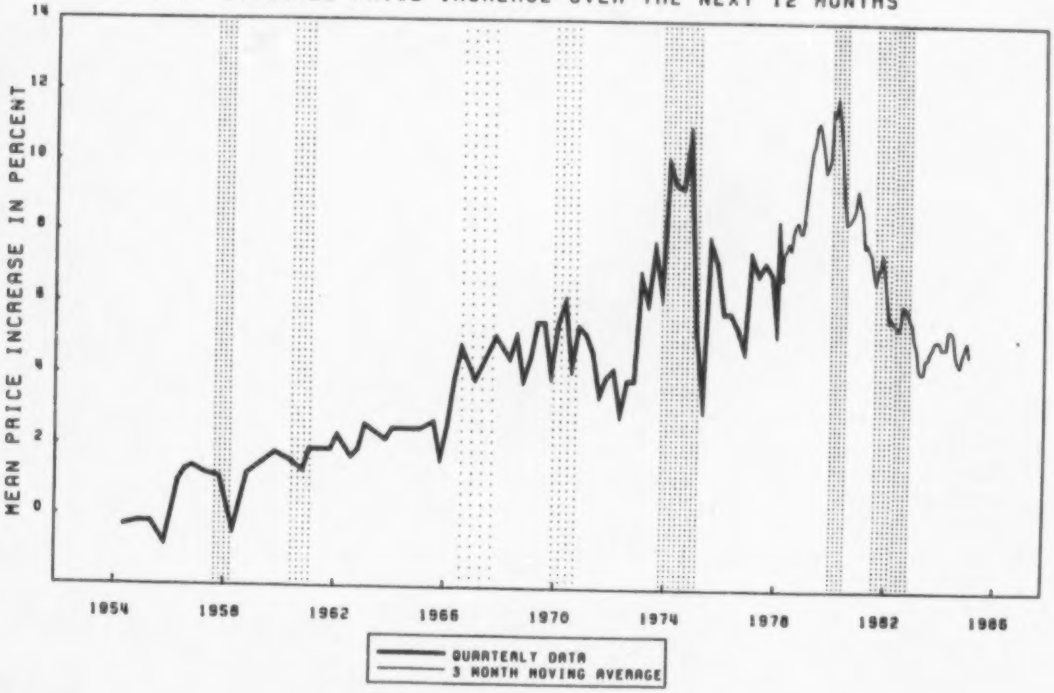


TABLE 23

EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
SAME OR DOWN	25%	23%	24%	19%	19%	19%	23%	24%	24%	22%	23%	25%	26%
WILL GO UP BY:													
1-2%	13	14	14	13	15	14	13	18	16	13	14	13	16
3-4%	20	19	16	17	15	16	17	15	19	15	17	17	20
5%	13	19	15	15	20	18	20	18	14	18	18	16	15
6-9%	9	6	10	12	11	11	8	6	8	9	6	9	6
10-14%	10	8	11	11	9	13	8	8	8	10	9	9	7
15% or more	4	6	5	8	6	4	5	5	4	7	7	5	4
DK how much up	4	4	4	3	4	4	3	5	4	4	4	4	4
DK,NA	2	1	1	2	1	1	3	1	3	2	2	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	4.6	5.1	5.1	5.9	5.3	4.8	4.5	4.6	4.2	5.3	5.1	4.8	4.1
VARIANCE	40	51	55	57	49	27	33	46	36	53	47	44	36
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

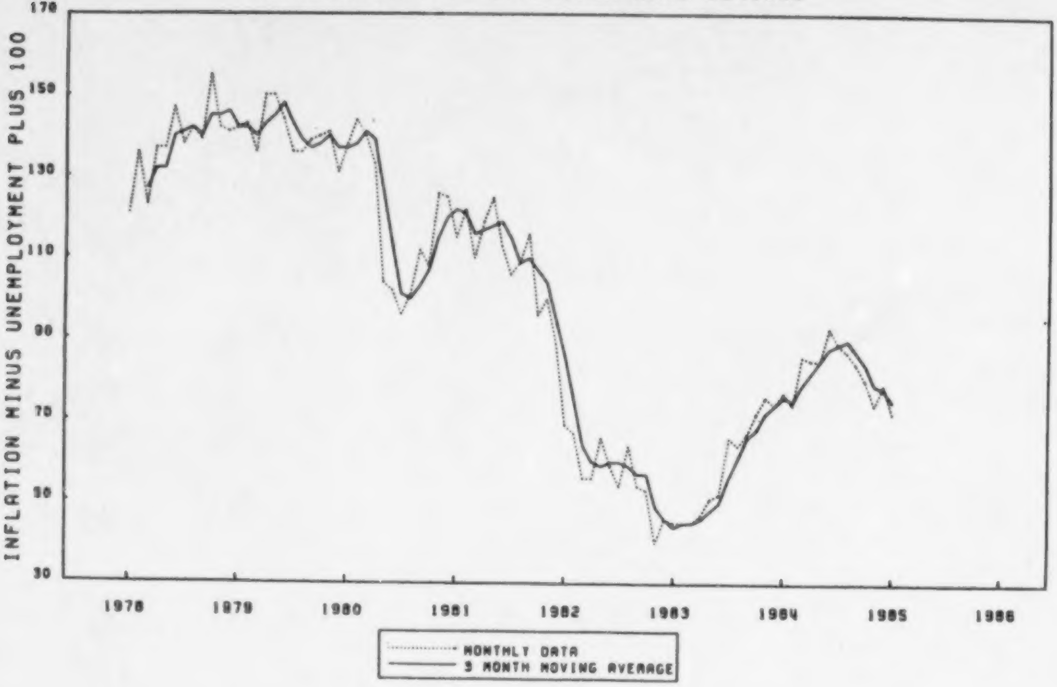


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

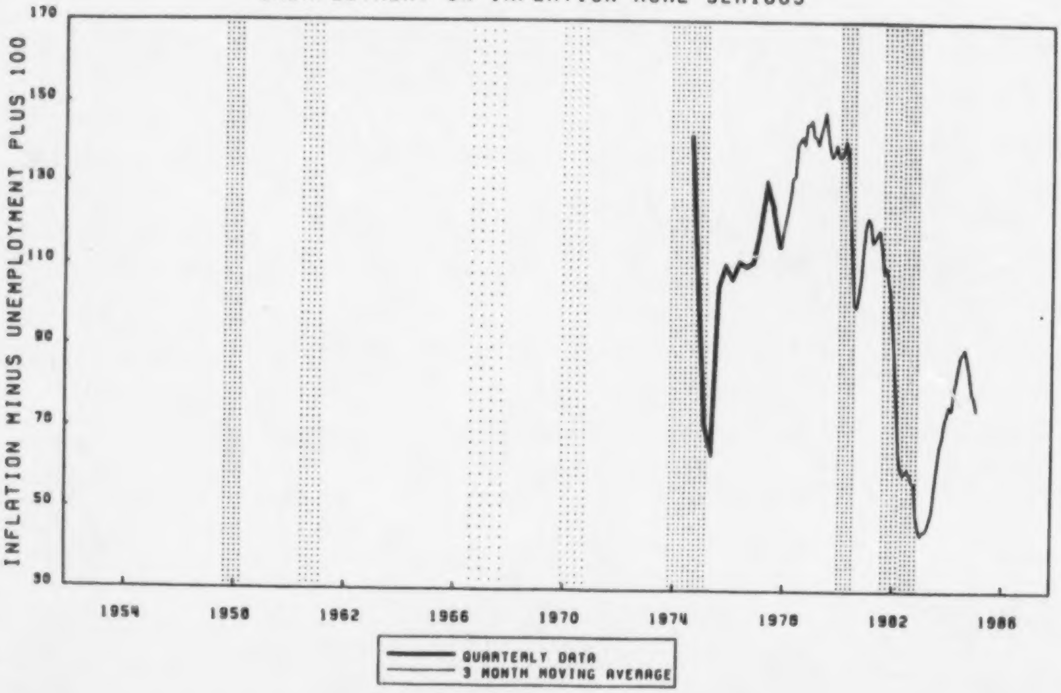


TABLE 24

UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
UNEMPLOYMENT	58%	59%	52%	53%	54%	51%	51%	52%	54%	55%	59%	56%	60%
BOTH EQUALLY SERIOUS	4	5	7	7	6	3	7	6	5	8	7	6	6
INFLATION	35	33	38	38	39	44	40	39	38	35	33	35	32
DK,NA	3	3	3	2	1	2	2	3	3	2	1	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

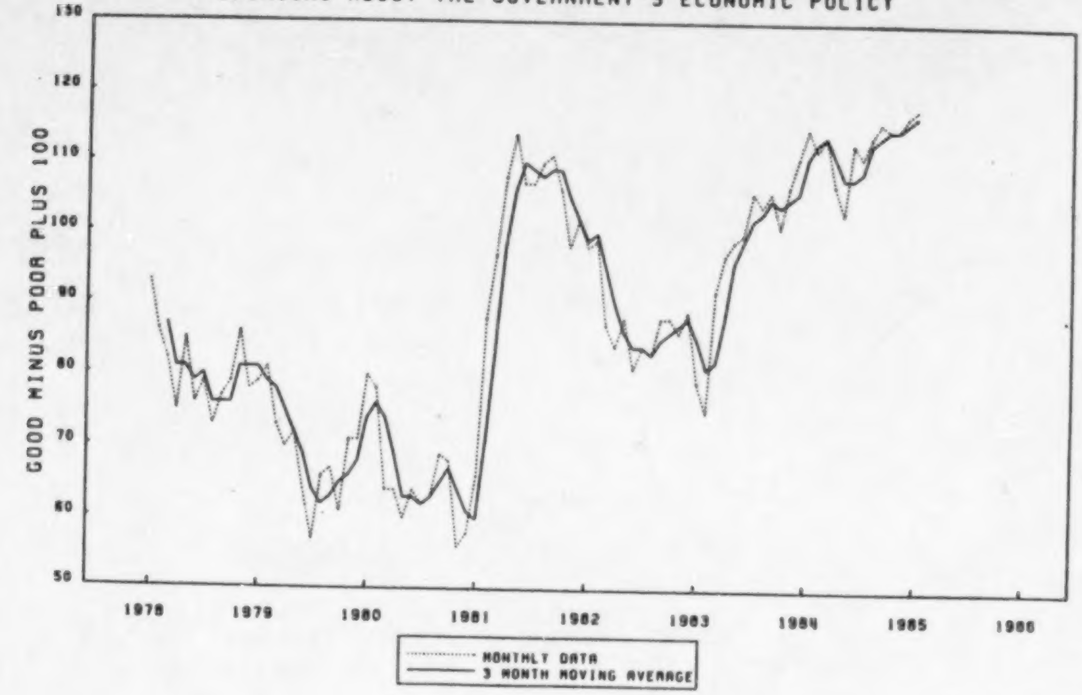


CHART 25 - HISTORICAL SERIES

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

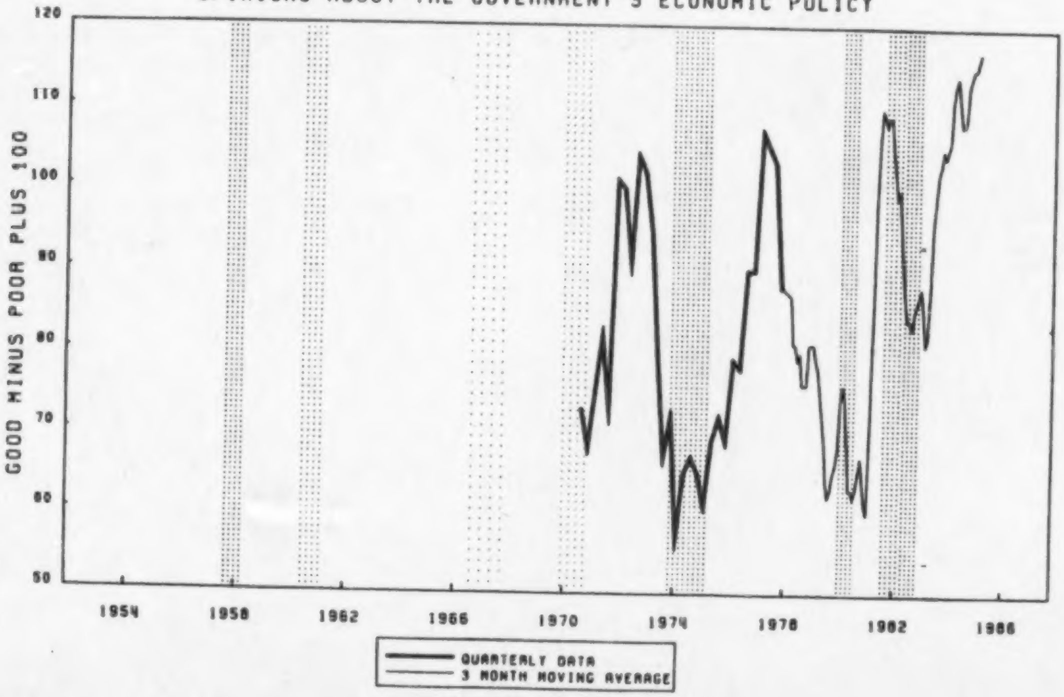


TABLE 25

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
A GOOD JOB	31%	32%	33%	27%	25%	31%	30%	33%	35%	36%	32%	33%	34%
ONLY FAIR	52	45	47	50	52	49	48	46	44	41	50	49	49
A POOR JOB	16	20	19	20	22	18	19	19	19	21	17	16	16
DK,NA	1	3	1	3	1	2	3	2	2	2	1	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

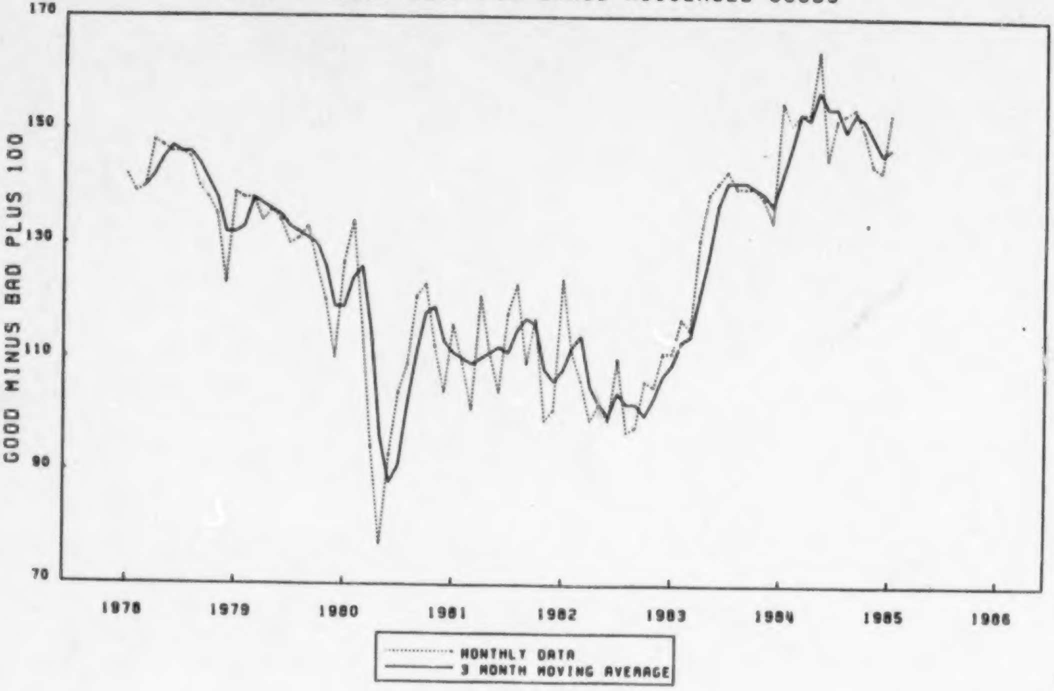


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

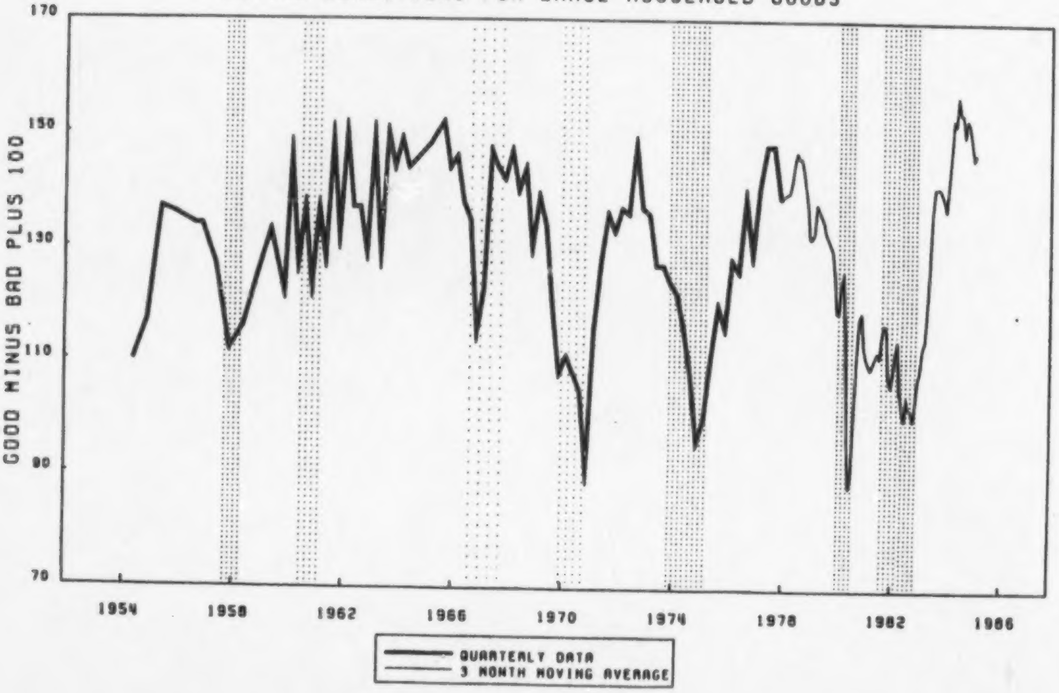


TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
GOOD TIME TO BUY	73%	70%	72%	72%	77%	67%	71%	72%	72%	70%	67%	67%	73%
UNCERTAIN, DEPENDS	9	11	9	9	10	11	10	9	10	10	10	9	7
BAD TIME TO BUY	18	19	19	19	13	22	19	19	18	20	23	24	20
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

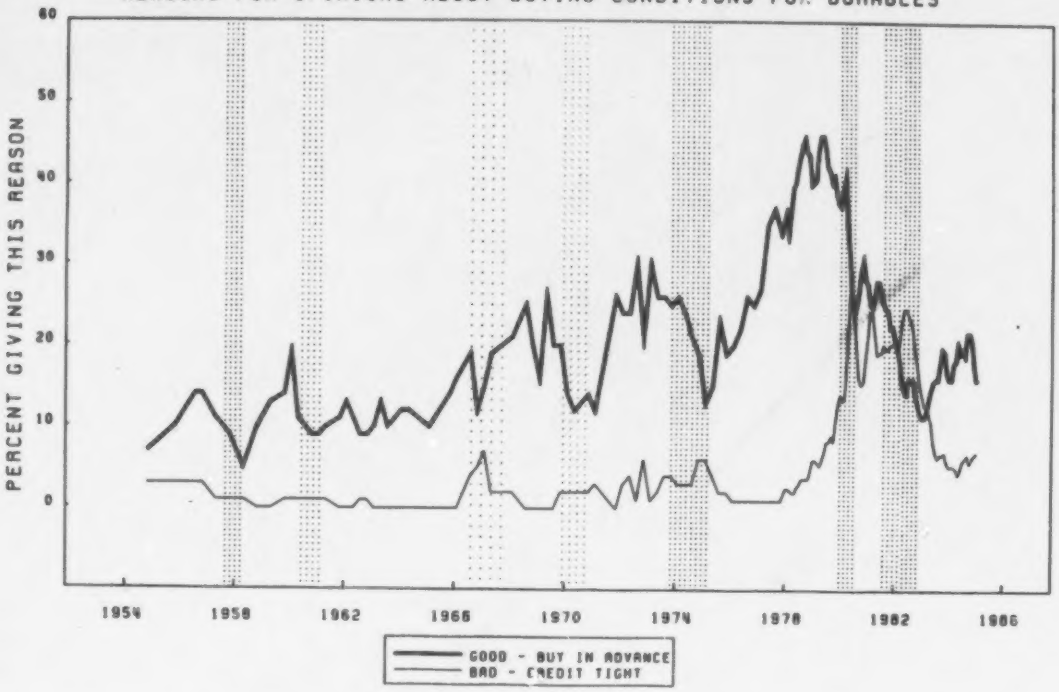


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

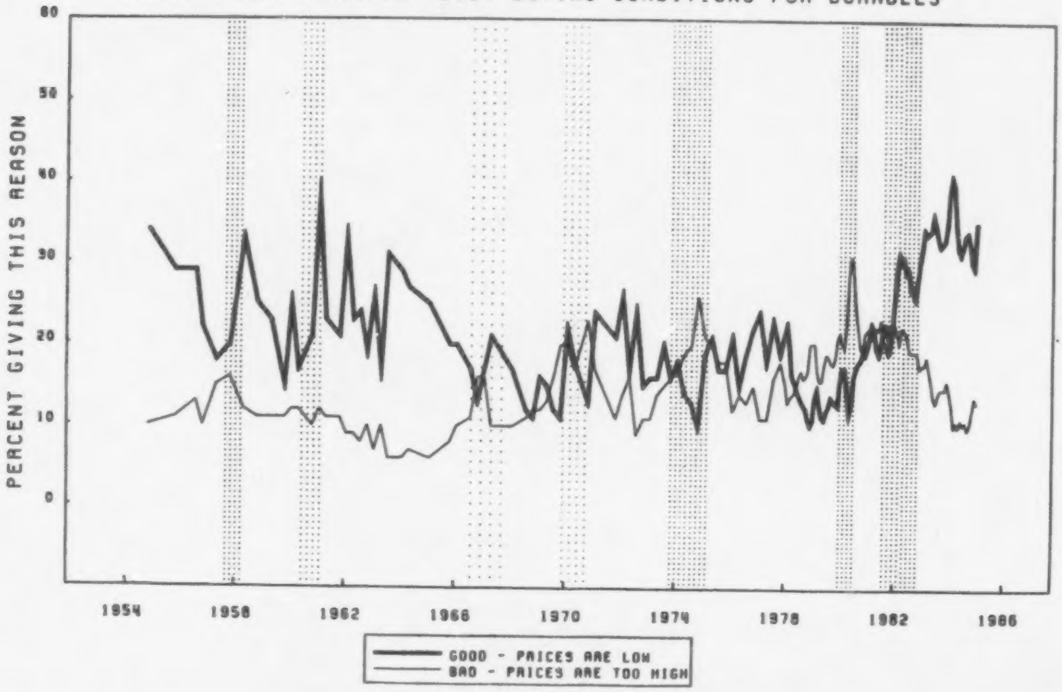


TABLE 27

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1964	Dec. 1984	Jan. 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	45%	39%	35%	30%	31%	33%	33%	35%	34%	29%	28%	32%	45%
Prices won't come down; are going higher	19	16	19	20	22	16	21	20	24	21	17	15	16
Interest rates low; credit is easy	9	11	10	14	11	11	10	8	8	11	11	10	11
BAD TIME TO BUY:													
Prices are high	10	10	10	12	8	13	10	9	10	12	14	15	10
Interest rates are high; credit is tight	6	7	3	5	5	5	8	6	6	5	8	7	6
Lack of purchasing power	7	7	9	6	5	7	5	7	7	7	7	7	10

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

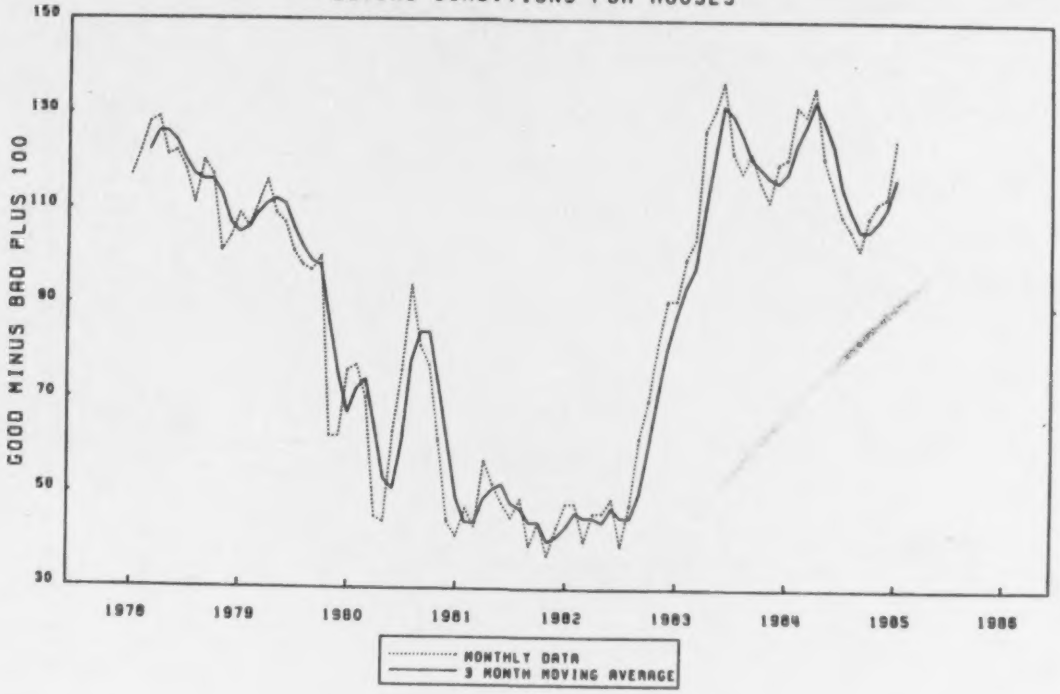


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

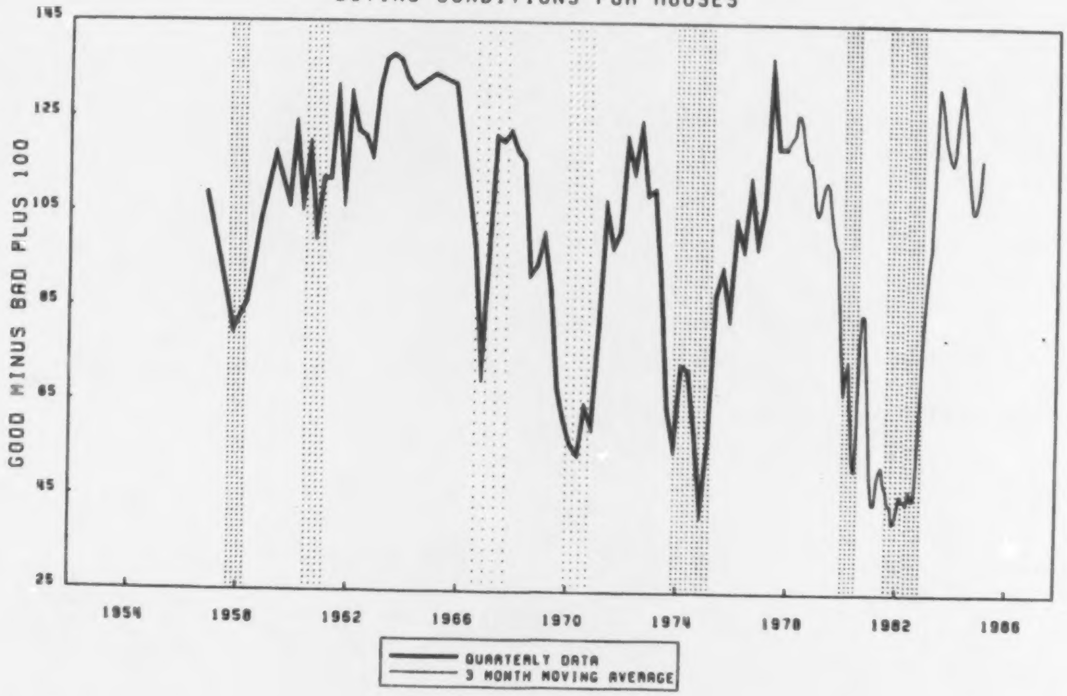


TABLE 28

BUYING CONDITIONS FOR HOUSES

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
GOOD TIME TO BUY	59%	63%	62%	66%	58%	55%	52%	50%	48%	52%	54%	54%	61%
UNCERTAIN, DEPENDS	3	6	6	4	5	5	5	6	6	5	4	5	3
BAD TIME TO BUY	38	31	32	30	37	40	43	44	46	43	42	41	36
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

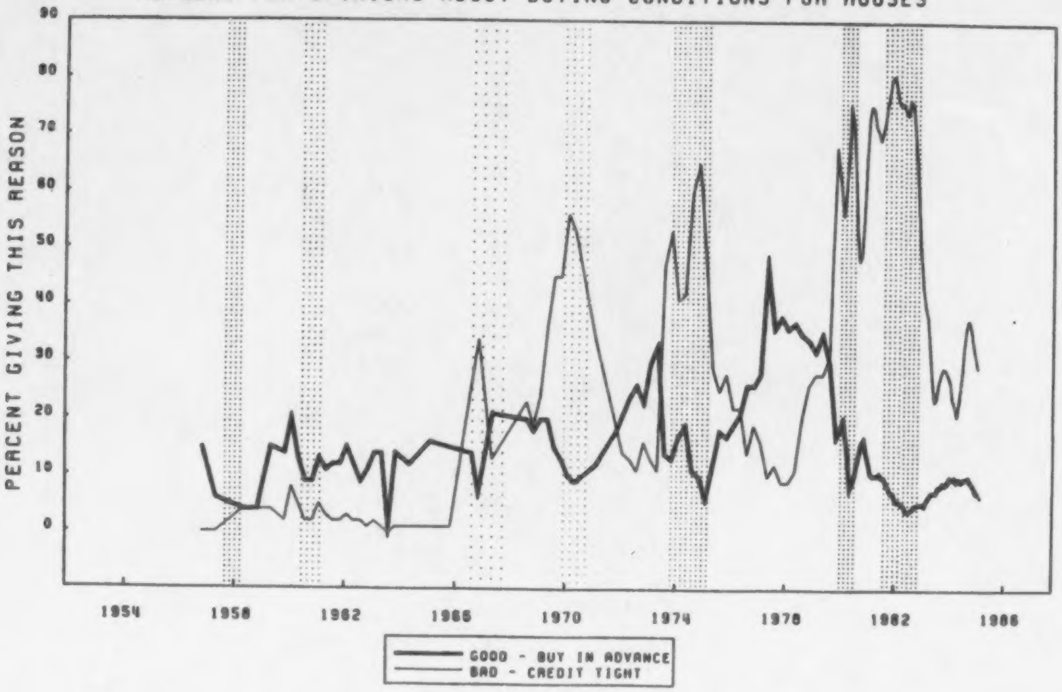


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

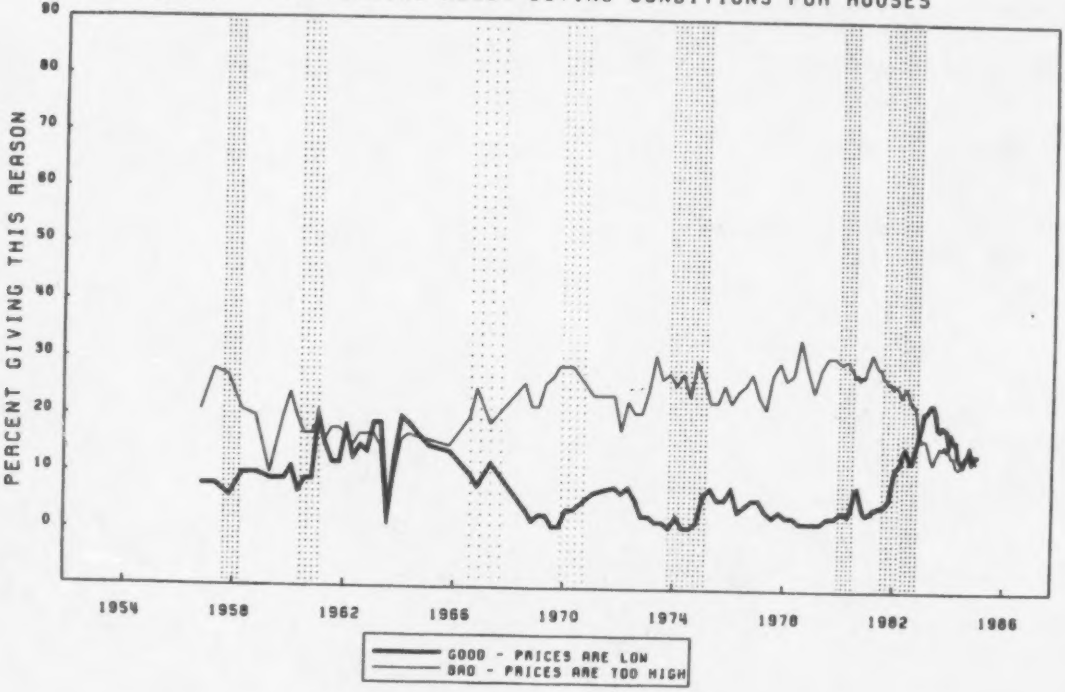


TABLE 29

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	15%	20%	15%	15%	12%	13%	13%	15%	14%	15%	11%	17%	15%
Prices won't come down; are going higher	12	8	10	10	9	9	11	9	10	9	7	8	7
Interest rates low; credit is easy	41	50	49	52	44	38	37	35	34	35	44	38	49
Good investment	8	6	8	6	5	8	5	4	7	5	7	5	6
BAD TIME TO BUY:													
Prices are high	16	13	13	11	12	14	12	16	16	16	12	13	14
Interest rates are high; credit is tight	26	20	22	20	29	33	36	40	37	33	31	30	27
Lack of purchasing power	12	10	11	10	12	10	11	11	11	10	13	13	12

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

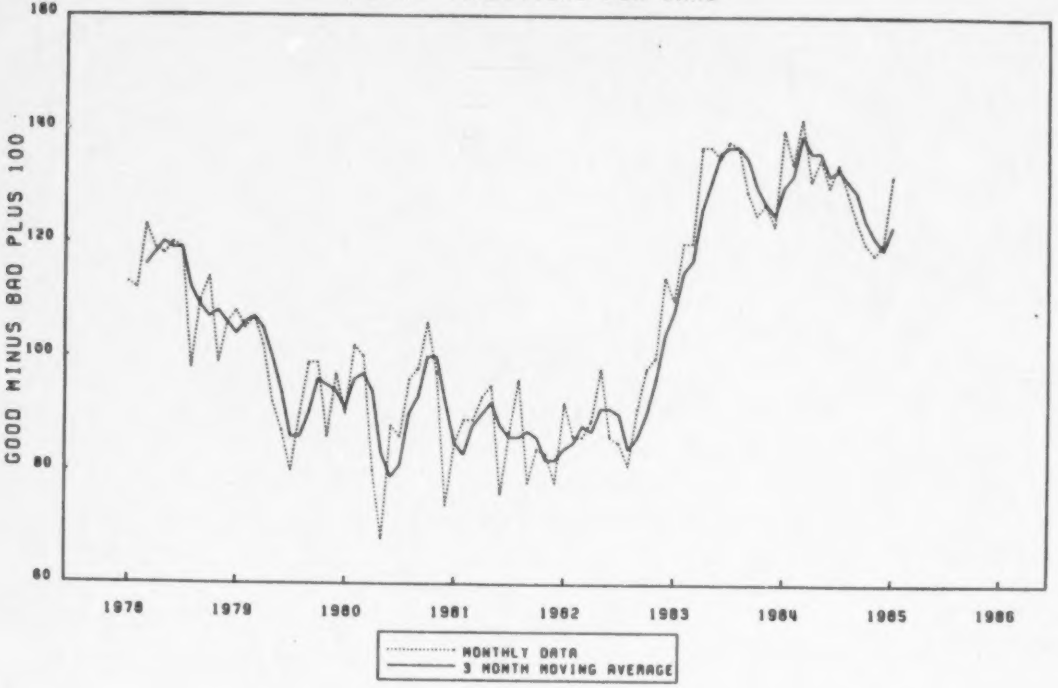


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

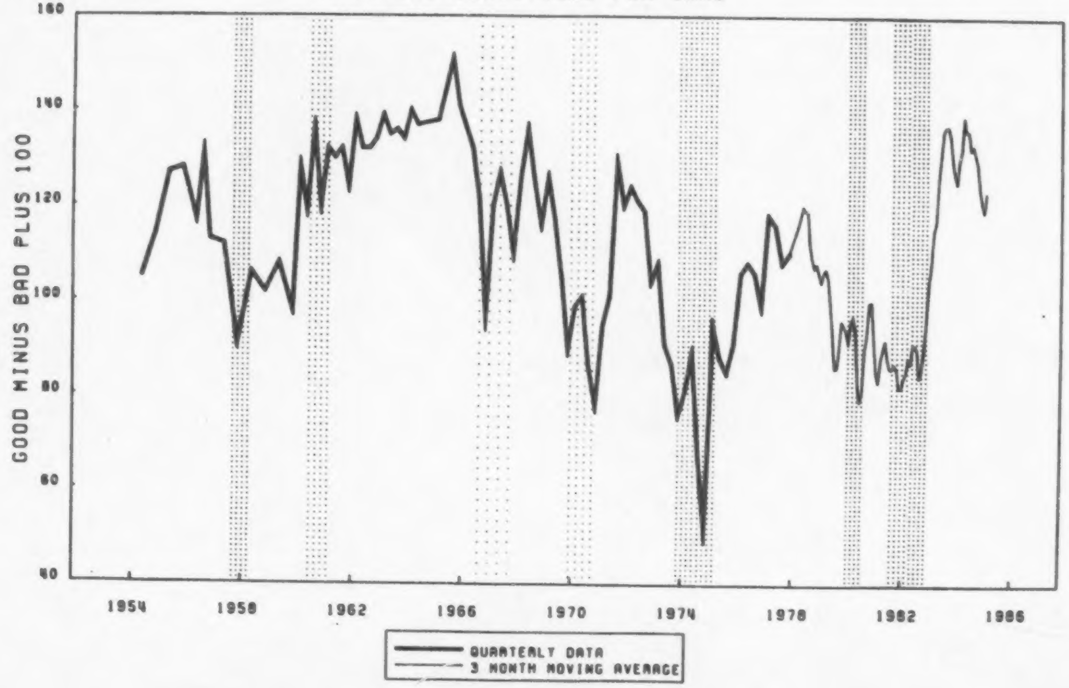


TABLE 30

BUYING CONDITIONS FOR CARS

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
GOOD TIME TO BUY	64%	62%	66%	60%	63%	60%	62%	59%	59%	54%	55%	55%	62%
UNCERTAIN; DEPENDS	12	10	10	11	9	10	10	11	6	12	8	10	8
BAD TIME TO BUY	24	28	24	29	28	30	28	30	35	34	37	35	30
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

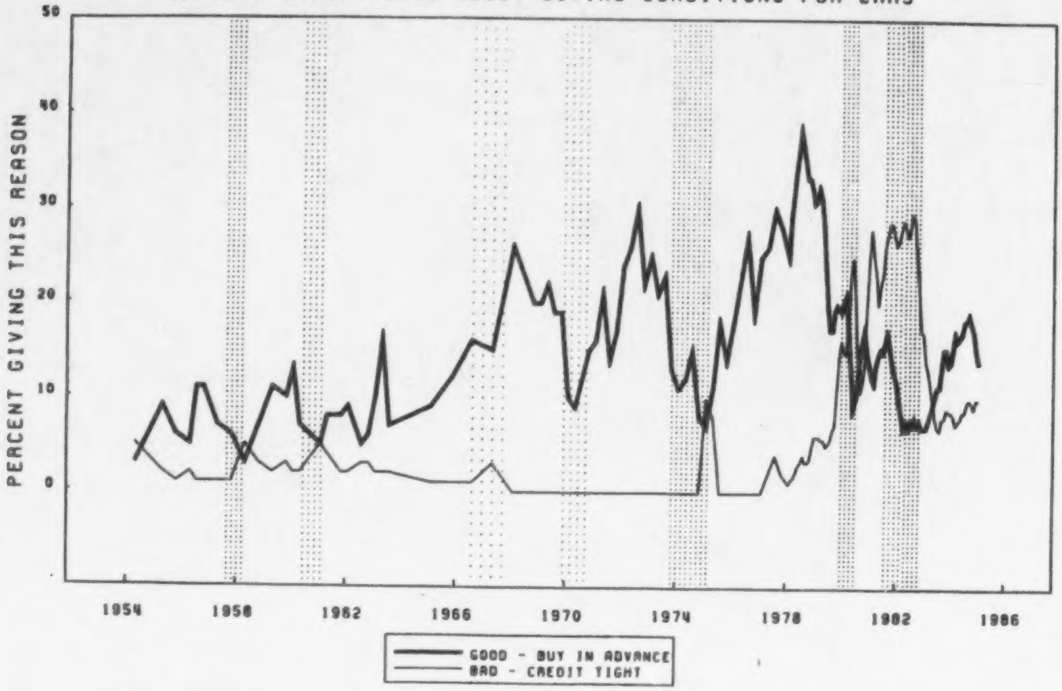


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

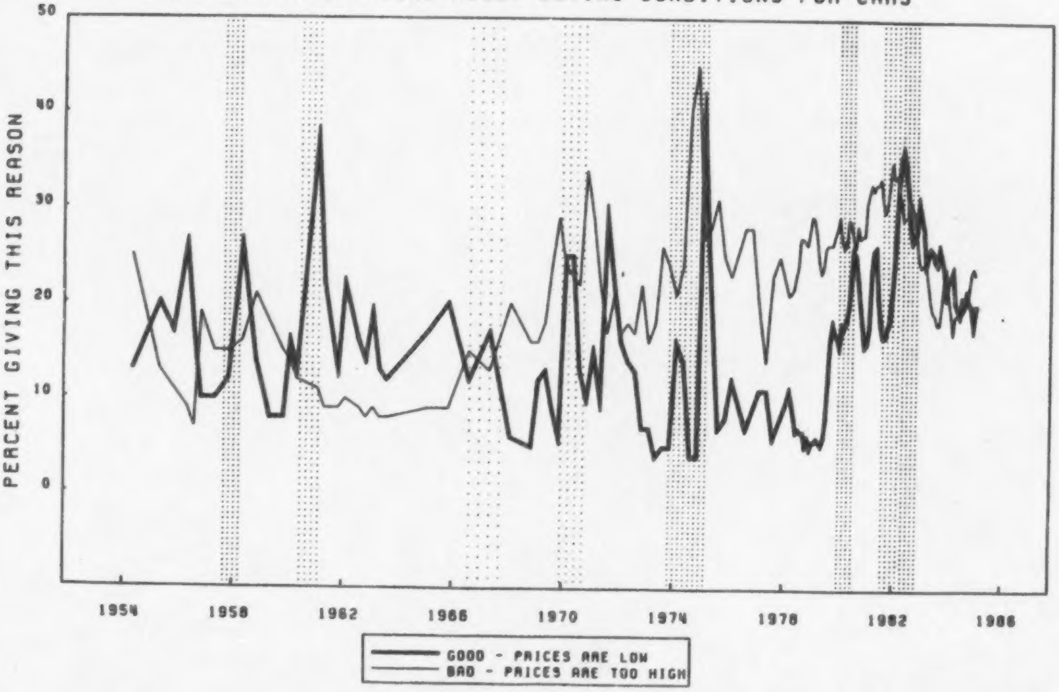


TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	26%	22%	23%	16%	20%	21%	21%	19%	24%	18%	18%	18%	24%
Prices won't come down; are going higher	18	16	17	16	17	18	20	17	20	17	15	14	13
Interest rates low; credit is easy	23	22	22	22	18	18	24	17	15	14	18	15	23
New fuel efficient models	1	2	1	1	3	1	1	2	1	2	*	2	*
BAD TIME TO BUY:													
Prices are high	16	18	17	22	18	20	20	19	22	23	25	24	21
Interest rates are high; credit is tight	8	8	6	9	9	8	9	12	9	8	10	12	8
Lack of purchasing power	3	5	5	4	5	4	4	5	6	6	8	7	7
Price of gas; shortages	*	*	1	*	*	*	*	1	*	*	*	*	*
Poor selection; quality	5	4	4	6	2	2	4	4	3	3	5	4	4

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

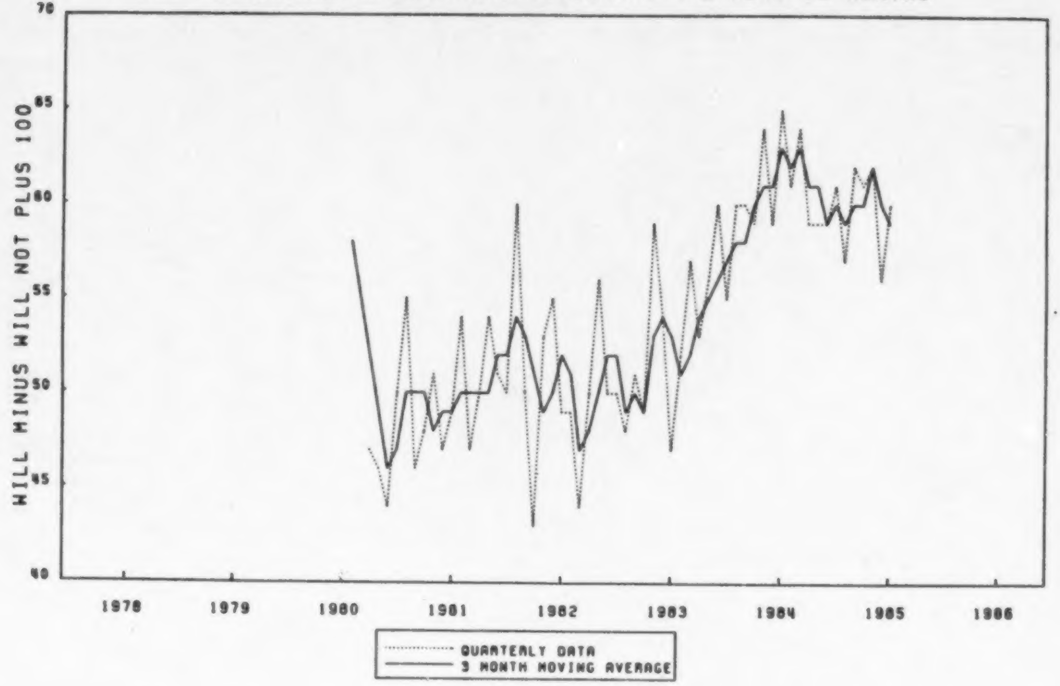


CHART 32 - HISTORICAL SERIES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

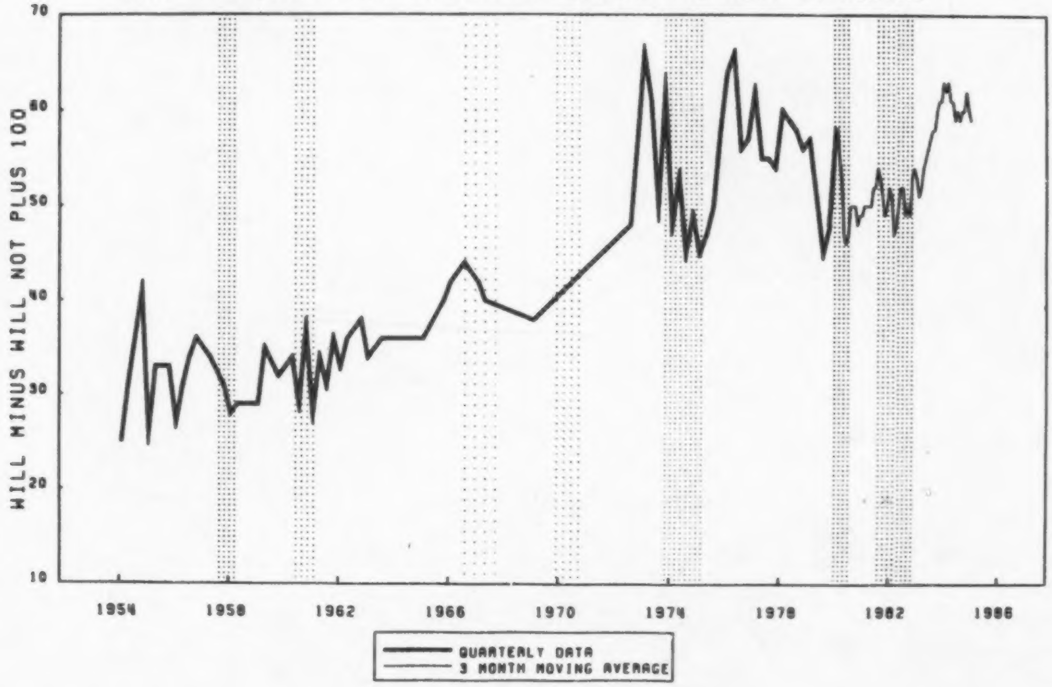


TABLE 32

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
PROBABLY WILL BUY	23%	21%	22%	21%	19%	20%	20%	21%	22%	21%	21%	19%	20%
CHANCES ARE EVEN	7	9	12	6	12	9	9	7	8	8	9	9	9
PROBABLY WILL NOT BUY	58	60	58	62	60	61	59	64	60	60	59	63	60
DK,NA	12	10	8	11	9	10	12	8	10	11	11	9	11
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	681	687	700	705	690	680	656	693	690	706	710	704	640

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
PROPORTION WITH CURRENT PURCHASE INTENTIONS:	30%	30%	34%	27%	31%	29%	29%	28%	30%	29%	30%	28%	29%
PURCHASE TYPE:													
Buy new	15	14	16	13	15	16	15	15	14	15	15	13	17
Buy used	13	13	17	12	14	11	12	11	13	12	13	13	11
Lease	1	2	1	1	2	1	2	1	2	2	1	1	1
DK,NA	1	1	*	1	*	1	*	1	1	*	1	1	*
PURCHASE TIMING:													
Next 3 months	5	3	2	7	3	2	7	3	1	6	5	3	5
Next 4-6 months	10	7	10	6	9	8	6	5	8	6	7	6	8
Next 7-9 months	7	8	8	6	7	9	3	4	5	7	7	10	7
10 months or more	4	5	8	4	6	4	7	8	10	4	8	7	5
DK,NA	4	7	6	4	6	6	6	8	6	6	3	2	4

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985
PROPORTION WITH FUTURE PURCHASE INTENTIONS:	58%	60%	58%	62%	60%	61%	59%	64%	60%	60%	59%	63%	60%
PURCHASE TYPE:													
Would buy new	36	32	32	34	33	36	35	33	34	31	33	34	35
Would buy used	21	26	25	27	26	24	22	29	25	27	25	28	25
DK,NA	1	2	1	1	1	1	2	2	1	2	1	1	*
PURCHASE TIMING:													
Less than 2 years	5	8	7	10	5	7	5	8	5	7	7	7	8
2 years	19	20	19	20	22	21	18	25	21	21	20	23	18
3 years	10	9	9	9	9	8	10	8	11	10	9	10	9
4 years or more	17	17	16	17	18	17	18	15	17	16	17	15	19
Indefinite	2	3	3	1	2	2	3	3	2	1	2	3	2
DK,NA	5	3	4	5	4	6	5	5	4	5	4	5	4

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

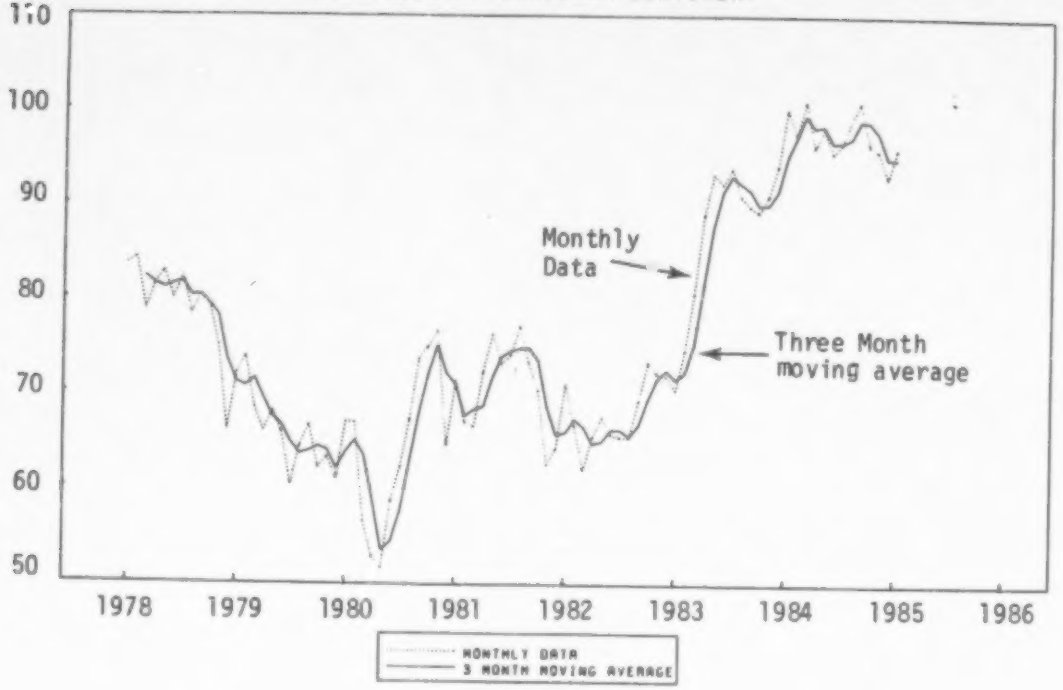
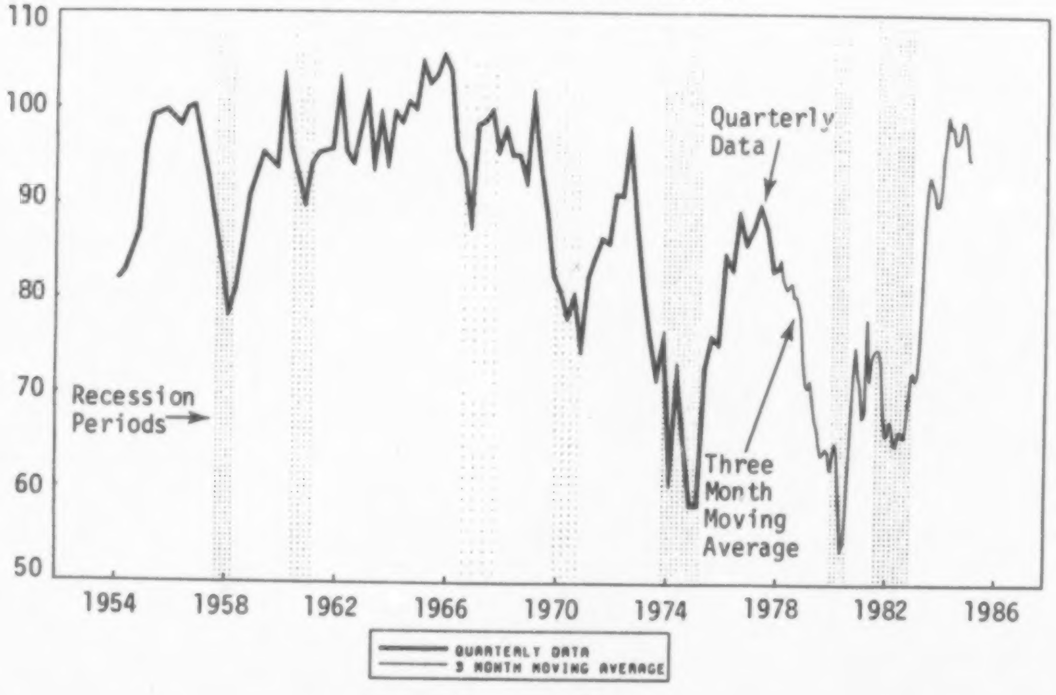


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES: November 1948 - October 1949
July 1953 - May 1954
August 1957 - April 1958
April 1960 - February 1961
June 1966 - November 1967*
December 1969 - November 1970
November 1973 - March 1975
January 1980 - July 1980
July 1981 - November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS
(In percentages by size of sample or subgroup)

Reported Percentages	Number of Interviews		
	700[b]	1,400[c]	2,100[d]
50	4.2	3.2	2.8
30 or 70	3.8	2.9	2.5
20 or 80	3.4	2.6	2.2
10 or 90	2.5	1.9	1.6
5 or 95	1.8	1.4	1.2

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

2/20/85 U7475-2 A

February 13, 1985

JANUARY 1985 MONTHLY REPORT

Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

WIDESPREAD PRICE DISCOUNTS BOOST SENTIMENT

- In the January 1985 survey, the Index of Consumer Sentiment was 96.0, up from 92.9 in December, but below the 1984 average of 97.5. Although the January 1985 reading is below the 100.1 recorded one year earlier, it nonetheless remains 25 Index points above the two and three year earlier readings. The recent improvement was due to more favorable perceptions of market prices for durables.

- Among families with incomes of $25,000 or more, the Index stood at 106.7 in January 1985, up from 100.1 in December, but below the year earlier reading of 114.2.

- Consumers have optimistic expectations for the proposed simplification in personal income tax codes. Among all families in the January 1985 survey, 41 percent expected congressional approval of some tax reform measure, close to the 49 percent that did not expect passage. Moreover, most families expected that the tax reform proposal, if passed, would not result in any overall difference in their financial situation.

- Confidence in government economic policies to reduce inflation and unemployment reached a new peak favorable level in January. Among all families, twice as many gave favorable rather than unfavorable ratings—34 versus 16 percent.

- In the January 1985 survey, the personal financial situation of American families remained at very favorable levels due to sustained income growth and continued low rates of inflation. Among all families, 42 percent reported an improved financial situation compared with a year earlier, and 35 percent expected improvement during the year ahead. Just 11 percent of all families expected a worsening financial situation during the year ahead.

- A resurgence in reports of the availability of price discounts on large household durables was recorded in January. Among all families, 45 percent reported the availability of price discounts, which ties the all-time record first reached in January 1984. More favorable references to car prices helped to improve attitudes toward car buying as well.

- Home buying attitudes regained ground lost in mid 1984, largely due to more favorable perceptions of current interest rates. The availability of reduced mortgage rates was mentioned by 42 percent of all families, up from 32 percent one month earlier, and 21 percent in mid 1984. Lower interest rates also promoted more favorable car buying attitudes.

• • •

Widespread reports of price discounts and declines in interest rates have reinvigorated consumer buying attitudes. The financial situation of American families was maintained at very favorable levels in the January survey, and financial prospects for the year ahead were not affected by their expectations about the proposed tax reforms.

Monitoring Economic Change Program
Institute for Social Research • P.O. Box 1248 • Ann Arbor, Michigan 48106-1248 • (313) 763-5224

Tax Simplification

In the January 1985 survey, respondents were asked whether they expected Congress to adopt reforms in the personal income tax codes, so as to eliminate deductions and lower tax rates. Among all families, 41 percent expected passage of this tax reform legislation, compared with 49 percent that did not expect passage. Respondents were also asked whether they expected to be personally better or worse off financially if Congress did enact this type of tax reform. The majority of families (58 percent) expected this type of simplification in the tax law to have no net effect on their financial situation (Table A). An improved personal financial situation was expected by only 19 percent of all families, just above the 18 percent that expected a worsened financial situation as a result of the tax reform. Interestingly, among families that expected passage, the tax reform legislation was somewhat more frequently viewed as having a negative impact on family finances than among those that did not expect passage—23 versus 14 percent (Table B).

Confidence in government economic policies to reduce inflation and unemployment reached a new record favorable level in the January 1985 survey. Among all families, 34 percent favorably rated government economic policies, just over twice the 16 percent that gave unfavorable ratings. This represents the best balance of opinion in more than a decade.

Personal Finances

Consumers evaluations of their personal financial situation remained at very favorable levels in the January 1985 survey. In both the January 1985 and January 1984 surveys, 42 percent of all families reported being better off financially compared with one year earlier. Reports of worsening finances were made by 23 percent of all families in January 1985, just below the 25 percent recorded one year earlier. The year long strength in personal finances has been due to more favorable income trends, as well as continued low rates of inflation. In January 1985, 33 percent reported gains in family income, just above the 31 percent recorded one year earlier, while reports of income declines fell to 14 percent in January 1985 from 17 percent one year earlier.

Prospects for personal finances during the year ahead also remained at favorable levels. Among all families in the January 1985 survey, 35 percent expected improvement in their financial situation during the year ahead, just below the 38 percent in January 1984. Only 11 percent of all families in the January survey expected a worsening financial situation during the year ahead, up from 9 percent one year earlier. At the start of 1985, the majority of consumers (52 percent) expected their current financial situation to remain unchanged on balance during the year ahead.

On average, consumers expected an annual inflation rate of 4.1% in the January 1985 survey, down from 4.8% one month earlier, and below the 4.6% recorded one year earlier. In the January 1985 survey, only 17 percent of all families expected an inflation rate of 6% or more, down from 22 percent one year earlier.

Price Discounts on Durables Attract Buyers

Favorable perceptions of market prices for household durables have kept buying attitudes at very favorable levels throughout the past year. Among all families in the January 1985 survey, 73 percent favorably rated buying conditions for durables, up from 67 percent in December, and equal to the year earlier reading. Although the January 1985 reading does represent a decline from the Spring 1984 peak, the decline has been very small (from 77 to 73 percent). When asked to explain their views on current buying conditions, 45 percent of all families in the January 1985 survey mentioned the availability of price discounts on large household durables, up from 32 percent in December, and equal to the all-time peak first recorded one year earlier. Just 10 percent of all families in both the January 1985 and January 1984 surveys registered complaints about rising durable prices. Such favorable perceptions of market prices for household durables have not dominated consumer evaluations to this extent in more than 20 years.

Attitudes toward buying conditions for cars have been maintained at very favorable levels. Favorable car buying attitudes were held by 62 percent of all families in the January

1985 survey, up from 55 percent in December, but below the 64 percent recorded one year earlier. The small recent gain as well as the modest year-to-year decline were due to changing perceptions of market prices for vehicles. References to the availability of price discounts rose to 24 percent in January from 18 percent in December, but remained just below the 26 percent recorded one year earlier. Unfavorable references to high car prices were reported by 21 percent of all families in January, down from 24 percent in December, and above the 16 percent recorded one year earlier. Only 13 percent of all families in the January 1985 survey mentioned buy-in-advance price rationales, when questioned about market conditions for vehicles. In comparison, at the cyclical peak in the late 1970s, references to advance buying rose to a high of 43 percent. Given this shift in perceptions of price trends, greater resistance to rising prices can be expected, as well as an increased focus on comparative price shopping.

Interest Rate Declines Encourage Home Buying

The January survey continued the late 1984 trend toward improvement in home buying attitudes. Among all families, 61 percent favorably rated home buying conditions in the January 1985 survey, up from 54 percent in December, and above the year earlier reading of 59 percent. When asked to explain their views on home buying conditions, 42 percent mentioned the availability of reduced mortgage interest rates in January 1985, up from 32 percent in December, and twice the mid 1984 low of 21 percent (Table C). In addition, the appeal of borrowing-in-advance of rising interest rates has greatly diminished, falling from a high of 23 percent in early 1984 to 7 percent by the start of 1985.

How consumers evaluate trends in buying conditions for homes has undergone a fundamental shift during the past several years. The pace and breadth of the housing boom of the late 70s was propelled by expected future price increases. In that environment, sharp rises in housing prices only reinforced the appeal of advance buying. At that time, purchase timing was dominated by price expectations. At the current time, purchase timing has become more sensitive to trends in interest rates rather than prices. Although reactions to rising interest rates and tight credit conditions have repeatedly caused declines during past cycles, only since 1980 have interest rate declines greatly stimulated favorable buying attitudes, and expected interest rate increases stimulated borrowing-in-advance rationales.

Interest rate expectations improved considerably during the past nine months, but remain less favorable than at the start of 1984. In the January 1985 survey, 36 percent of all families expected interest rates to increase during the year ahead, down from 68 percent nine months earlier, but still not as low as the year earlier reading of 32 percent. Declines in interest rates were expected by 28 percent of all families in the January 1985 survey, an improvement over the year earlier reading of 22 percent.

Diminished but Favorable Prospects for Economy

The proportion of families that thought that economic conditions in the country as a whole had improved during the past year fell to 57 percent in the January 1985 survey, from 63 percent one month earlier, and the all-time peak of 75 percent recorded one year earlier. This represents the fewest number of families to report improvement in the aggregate economy in nearly two years. Continued improvement in the economy during the year ahead was expected by 25 percent of all families in the January 1985 survey, down from 33 percent one month earlier and 46 percent one year earlier. This represents the lowest proportion of consumers to expect improved aggregate conditions in more than two years. When combined, the proportion of respondents that reported both improvement during the past year and expected improvement during the year ahead fell to 21 percent in the January 1985 survey, from 41 percent one year earlier. Although prospects for continued improvement in the economy have greatly weakened, actual economic reversals are still not widely expected. During the past year, the proportion of families that expected worsening conditions in the economy as a whole only rose to 15 from 9 percent. The majority of consumers expected conditions in the national economy to remain unchanged—55 percent in January 1985, up from 43 percent one year earlier.

The expected slowdown in economic growth has been accompanied by less favorable unemployment expectations. In the January 1985 survey, 20 percent of all families expected unemployment to increase during the year ahead, down from 36 percent at the start of 1984. Increases in the unemployment rate were expected by 25 percent of all families in January 1985, up from 14 percent one year earlier. In January 1985, as they have throughout most of the past year, the majority of consumers expected the aggregate unemployment rate to remain largely unchanged at its current level.

Although the pace of economic growth was expected to slow, the majority of consumers still expected good times financially in both the near and longer terms. Among all families, 63 percent in the January survey expected good times financially in the economy as a whole during the next 12 months, up from 59 percent one month earlier, but below the 73 percent recorded one year earlier. Even less erosion was recorded in the long term outlook. Among all families, 43 percent in the January survey expected good times financially in the economy as a whole over the longer term, up from 39 percent in December, and just below the 44 percent recorded in January 1984.

* * *

The January 1985 survey included 640 completed interviews, conducted between January 2 and January 31, 1985.

TABLE A

TAX SIMPLIFICATION PROPOSAL: EXPECTED PASSAGE AND IMPACT ON PERSONAL FINANCES

Expect Passage of Tax proposal?	
Yes	41%
No	49
Don't know	7
NA	3
Total	100%
Cases	640
Expected Impact on Personal Finances	
Better off	19%
Same; no difference	58
Worse off	18
Don't know	2
NA	3
Total	100%
Cases	640

The questions were: "Lately there has been a lot of talk about changing the way federal income taxes are figured for individual taxpayers, so as to eliminate deductions and lower tax rates. Do you expect Congress to make this type of change in the tax laws?" and "Do you think that you (and your family living there) will be better off or worse off financially if Congress makes this change in the tax laws, or won't it make much difference to your financial situation?"

TABLE B

RELATIONSHIP BETWEEN EXPECTED PASSAGE AND EXPECTED IMPACT OF TAX SIMPLIFICATION PROPOSAL

	Tax Simplification Proposal	
Expected Impact on Personal Finances	Expect Passage	Do Not Expect Passage
Better off	19%	22%
Same; no difference	56	62
Worse off	23	14
Don't know	2	2
NA	*	*
Total	100%	100%
Cases	262	314

TABLE C

REFERENCES TO INTEREST RATES IN SUPPORT OF FAVORABLE BUYING CONDITIONS

Survey Date	Durables		Houses		Vehicles	
	Low Rates	BiA Rates	Low Rates	BiA Rates	Low Rates	BiA Rates
8301	7	*	33	4	27	2
8302	7	1	35	5	34	1
8303	7	1	38	6	33	1
8304	12	2	46	8	38	2
8305	12	1	49	6	38	2
8306	13	3	49	12	38	2
8307	14	2	40	9	34	3
8308	11	1	33	11	30	3
8309	9	3	35	12	25	3
8310	6	1	29	9	17	2
8311	6	2	29	11	20	2
8312	6	1	30	11	16	3
8401	8	1	33	8	20	3
8402	9	2	38	12	19	3
8403	8	2	36	13	19	3
8404	8	6	29	23	15	7
8405	7	4	24	20	14	4
8406	7	4	21	17	12	6
8407	5	5	21	16	16	8
8408	6	2	22	13	12	5
8409	6	2	22	12	11	4
8410	7	4	24	11	10	4
8411	8	3	33	11	15	3
8412	8	2	32	6	12	3
8501	10	1	42	7	21	2

NOTE: The proportions given above provide greater detail than is reported in the monthly tables (see Tables 27, 29 and 31). The monthly tables report the total proportion of respondents that made favorable references to credit conditions. The figures above divide this total into those respondents that referred to the current availability of low interest rates, and those that referred to buying-in-advance of rising interest rates.

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SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

TABLES AND CHARTS

FEBRUARY 1985

The February 1985 survey is the 197th in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

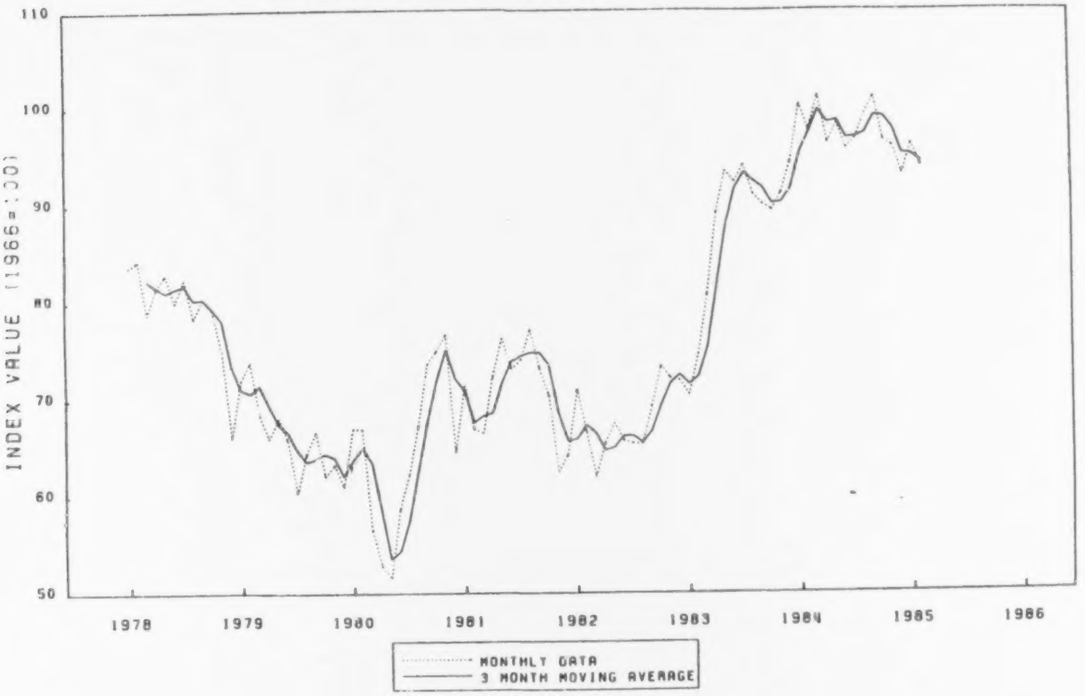


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

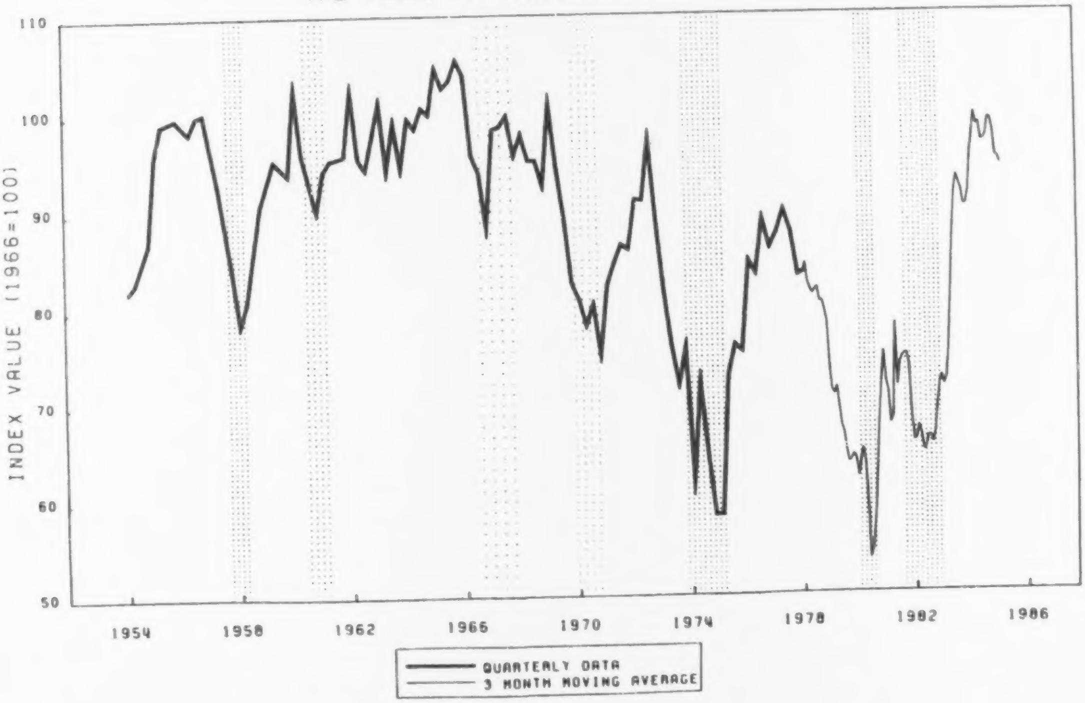


TABLE 1

THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY		All families	Families with incomes over $20,000	Families with incomes over $25,000
February	1982	66.5	71.5	72.8
March	1982	62.0	67.0	67.9
April	1982	65.5	71.5	73.2
May	1982	67.5	72.7	74.8
June	1982	65.7	71.4	72.9
July	1982	65.4	68.9	69.2
August	1982	65.4	71.0	73.6
September	1982	69.3	78.4	81.1
October	1982	73.4	77.5	80.9
November	1982	72.1	79.3	81.1
December	1982	71.9	78.0	80.5
January	1983	70.4	78.2	78.8
February	1983	74.6	79.9	81.3
March	1983	80.8	88.4	88.9
April	1983	89.1	97.1	99.0
May	1983	93.3	99.6	101.0
June	1983	92.2	101.2	102.5
July	1983	93.9	104.4	106.5
August	1983	90.9	101.2	103.5
September	1983	89.9	99.0	102.3
October	1983	89.3	99.5	101.9
November	1983	91.1	97.2	98.8
December	1983	94.2	101.7	104.5
January	1984	100.1	112.0	114.2
February	1984	97.4	109.6	111.2
March	1984	101.0	110.9	114.2
April	1984	96.1	103.9	105.5
May	1984	98.1	105.6	107.1
June	1984	95.5	104.4	104.5
July	1984	96.6	103.2	102.8
August	1984	99.1	106.7	109.2
September	1984	100.9	109.7	111.7
October	1984	96.3	106.2	107.7
November	1984	95.7	108.6	111.0
December	1984	92.9	99.2	100.1
January	1985	96.0	104.1	106.7
February	1985	93.7	105.4	107.4

CHART 2A - HISTORICAL SERIES

INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

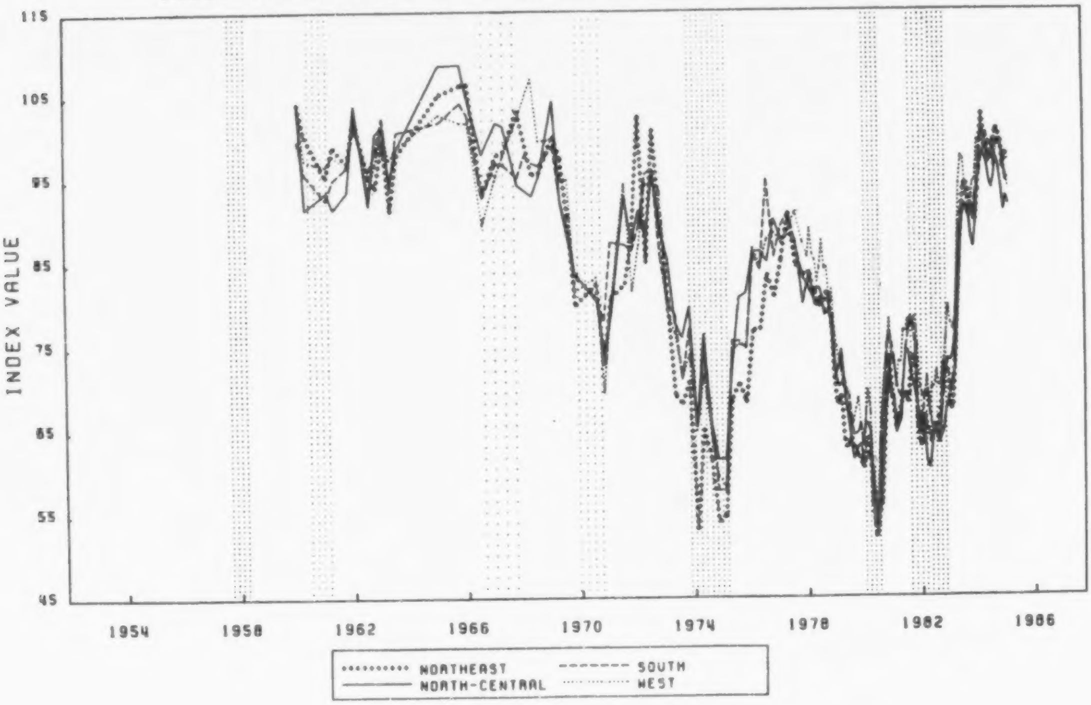


CHART 2B - HISTORICAL SERIES

INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

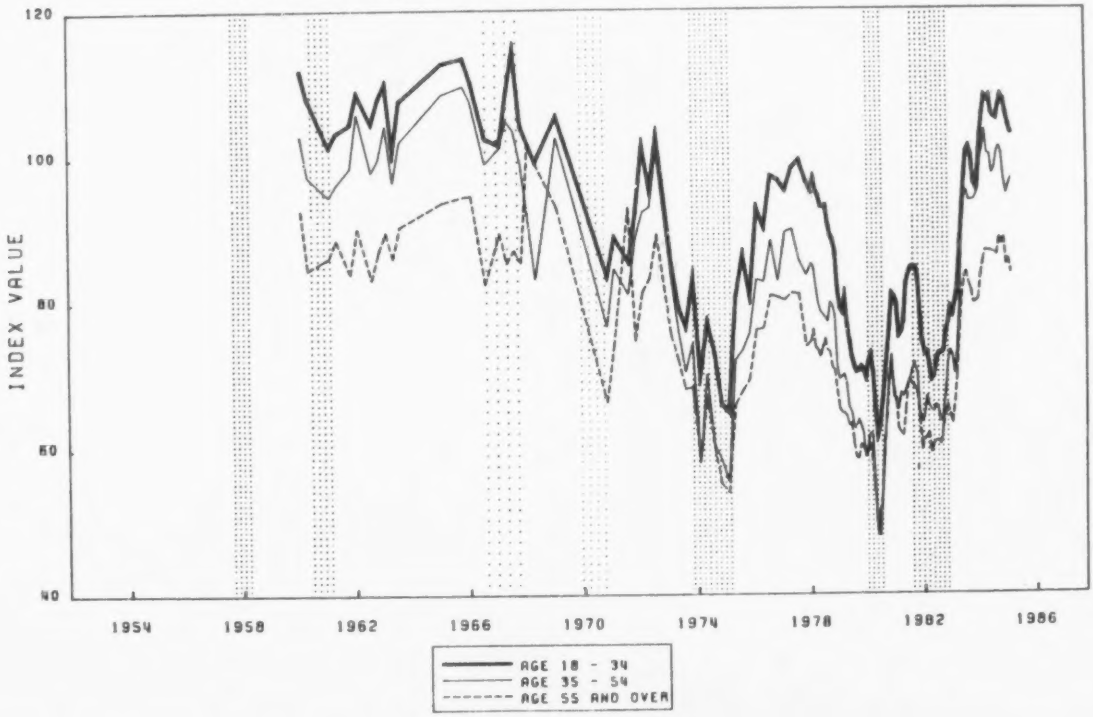


TABLE 2

INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

	CENSUS REGION				AGE OF RESPONDENT		
DATE OF SURVEY	North East	North Central	South	West	18-34	35-54	55+
February 1982	65.9	60.6	71.8	68.8	71.5	68.3	59.0
March 1982	60.5	55.8	64.7	68.2	65.5	61.4	58.8
April 1982	67.2	64.6	65.0	65.8	70.6	65.5	60.4
May 1982	62.4	66.5	66.6	75.7	72.7	67.6	62.0
June 1982	65.4	65.0	64.9	68.6	72.4	64.4	60.3
July 1982	65.1	64.0	63.5	71.1	73.4	63.3	60.6
August 1982	68.1	60.6	64.0	70.6	72.6	62.9	60.2
September 1982	70.3	67.2	71.1	68.8	73.0	66.7	68.0
October 1982	77.8	66.2	74.1	79.3	81.2	72.1	65.5
November 1982	70.6	67.9	73.2	79.3	76.6	75.7	63.8
December 1982	66.1	70.0	72.5	80.4	78.9	71.7	64.2
January 1983	64.9	70.5	73.6	72.8	78.8	70.0	62.0
February 1983	72.1	72.3	75.8	77.2	82.1	68.3	72.4
March 1983	82.9	73.7	82.7	84.4	84.9	81.5	75.5
April 1983	89.1	88.0	87.2	95.6	95.8	90.5	80.5
May 1983	88.3	90.7	93.3	102.7	97.2	97.1	84.9
June 1983	95.1	88.7	92.5	94.1	97.8	94.4	83.9
July 1983	98.3	93.8	89.9	94.3	106.0	93.6	83.0
August 1983	89.6	92.0	91.3	89.6	99.2	92.9	80.0
September 1983	92.6	87.8	89.3	90.8	94.8	94.5	80.9
October 1983	89.9	83.7	91.5	93.5	94.2	93.8	77.8
November 1983	87.7	88.3	91.5	98.5	97.2	94.6	80.7
December 1983	91.4	96.2	95.2	92.2	102.3	97.5	81.8
January 1984	100.7	96.8	97.5	107.5	107.9	106.0	87.4
February 1984	102.3	98.4	93.5	97.1	106.2	98.9	86.5
March 1984	104.8	98.5	102.1	97.5	109.9	105.2	86.6
April 1984	92.5	95.3	98.2	99.3	106.5	95.9	87.0
May 1984	98.8	96.3	96.5	103.9	107.5	98.8	86.6
June 1984	100.1	92.1	95.0	93.7	103.0	97.1	85.9
July 1984	94.3	92.5	100.5	99.3	104.9	98.2	87.1
August 1984	103.1	100.2	97.5	95.4	106.8	105.3	85.2
September 1984	105.0	99.3	99.7	99.9	108.5	99.9	93.3
October 1984	92.5	89.4	100.9	101.7	108.9	95.5	84.2
November 1984	100.3	93.3	95.6	94.1	105.5	94.0	88.1
December 1984	94.8	90.3	93.4	94.0	102.9	94.1	82.2
January 1985	98.2	94.5	94.6	97.8	104.2	99.0	86.6
February 1985	97.9	90.4	96.6	89.7	102.0	97.0	82.3

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

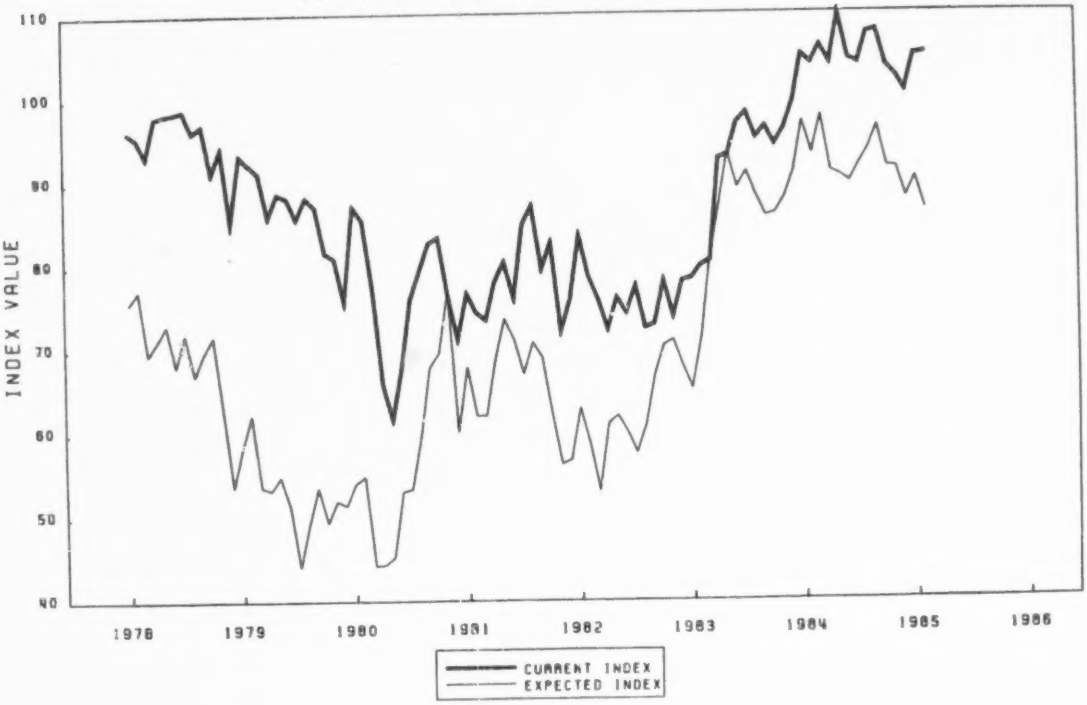


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS

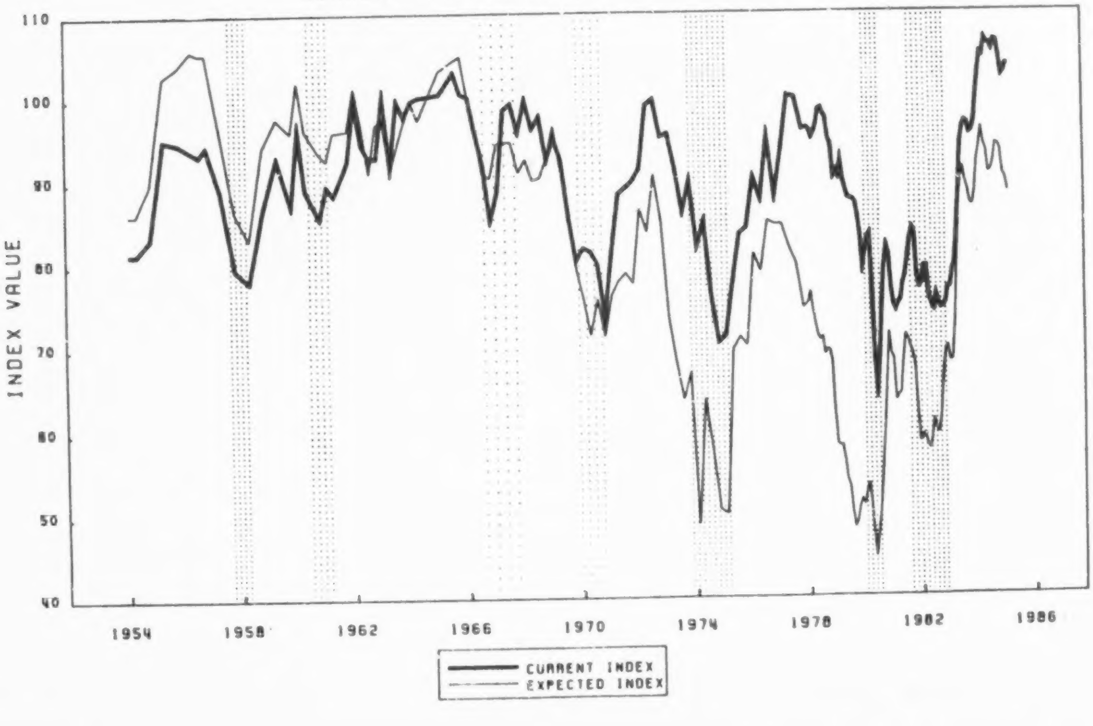


TABLE 3

COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

	INDEX COMPONENTS +						
	Personal finances		Business conditions				
	Current	Expected	12 months	5 years	Buying conds.	Current Index	Expected Index
DATE OF SURVEY	(1)	(2)	(3)	(4)	(5)	(1,5)	(2,3,4)
February 1982	91	112	56	65	111	78.6	58.7
March 1982	89	106	44	60	106	75.9	53.1
April 1982	87	111	62	70	99	72.3	61.1
May 1982	94	113	62	72	102	76.1	62.0
June 1982	92	116	58	65	99	74.3	60.1
July 1982	90	113	53	63	110	77.5	57.6
August 1982	89	110	64	69	97	72.5	60.9
September 1982	89	116	76	74	98	72.9	66.9
October 1982	95	119	79	83	106	78.1	70.4
November 1982	85	121	77	86	105	73.8	71.0
December 1982	90	117	74	80	111	78.1	67.9
January 1983	91	115	76	69	111	78.4	65.2
February 1983	89	117	87	81	117	79.9	71.2
March 1983	92	126	113	85	115	80.5	80.9
April 1983	108	131	120	99	131	92.7	86.9
May 1983	101	137	139	100	139	93.1	93.4
June 1983	110	128	134	97	141	96.9	89.2
July 1983	111	126	136	104	143	98.1	91.1
August 1983	106	124	130	100	140	95.1	88.2
September 1983	109	125	125	95	140	96.4	85.8
October 1983	104	124	124	98	140	94.3	86.1
November 1983	111	127	129	98	138	96.1	87.9
December 1983	123	125	140	102	134	99.3	91.0
January 1984	117	129	154	108	155	104.9	97.0
February 1984	119	130	139	106	151	103.9	93.2
March 1984	122	135	146	113	153	106.0	97.7
April 1984	117	124	136	106	153	103.9	91.1
May 1984	121	129	131	105	164	109.8	90.6
June 1984	126	124	131	106	145	104.4	89.8
July 1984	117	124	133	113	152	103.9	91.9
August 1984	125	129	137	111	153	107.5	93.7
September 1984	125	131	142	116	154	107.8	96.4
October 1984	118	127	134	107	150	103.6	91.6
November 1984	121	129	132	107	144	102.4	91.5
December 1984	118	125	131	98	143	100.6	87.9
January 1985	119	124	135	104	153	104.9	90.3
February 1985	115	120	131	96	158	105.1	86.5

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

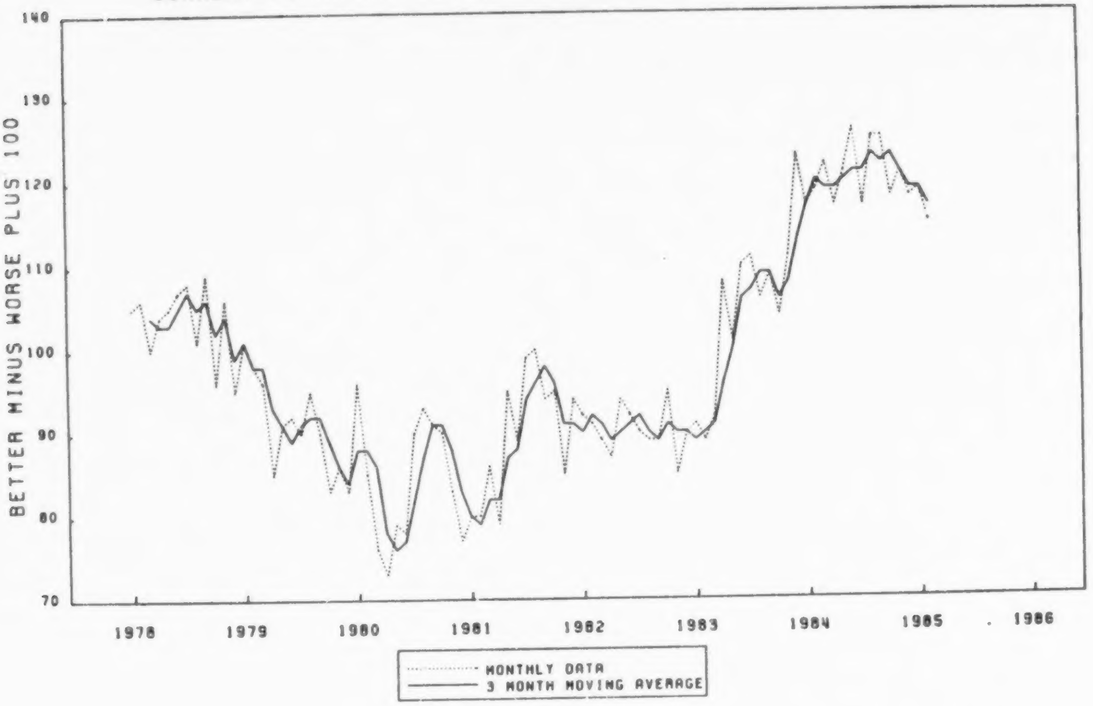


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

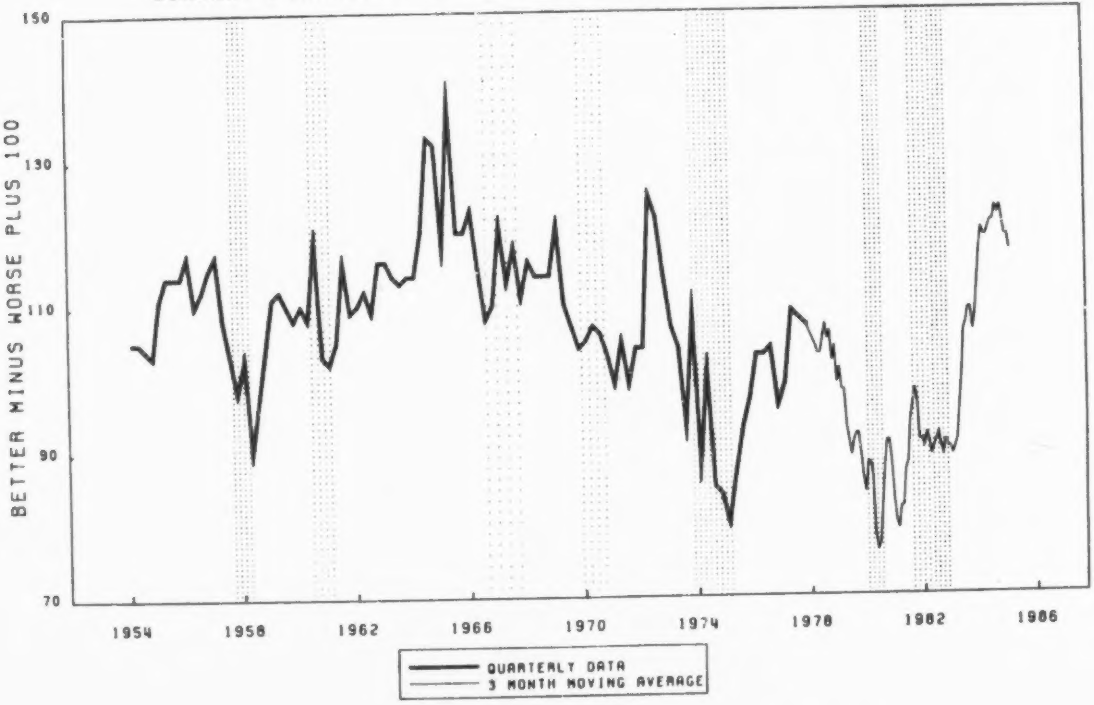


TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
BETTER OFF	44%	48%	43%	44%	47%	42%	48%	45%	44%	46%	44%	42%	42%
SAME	31	26	30	33	31	33	29	35	30	29	30	35	31
WORSE OFF	25	26	26	23	21	25	23	20	26	25	26	23	27
DK,NA	*	*	1	*	1	*	*	*	*	*	*	*	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

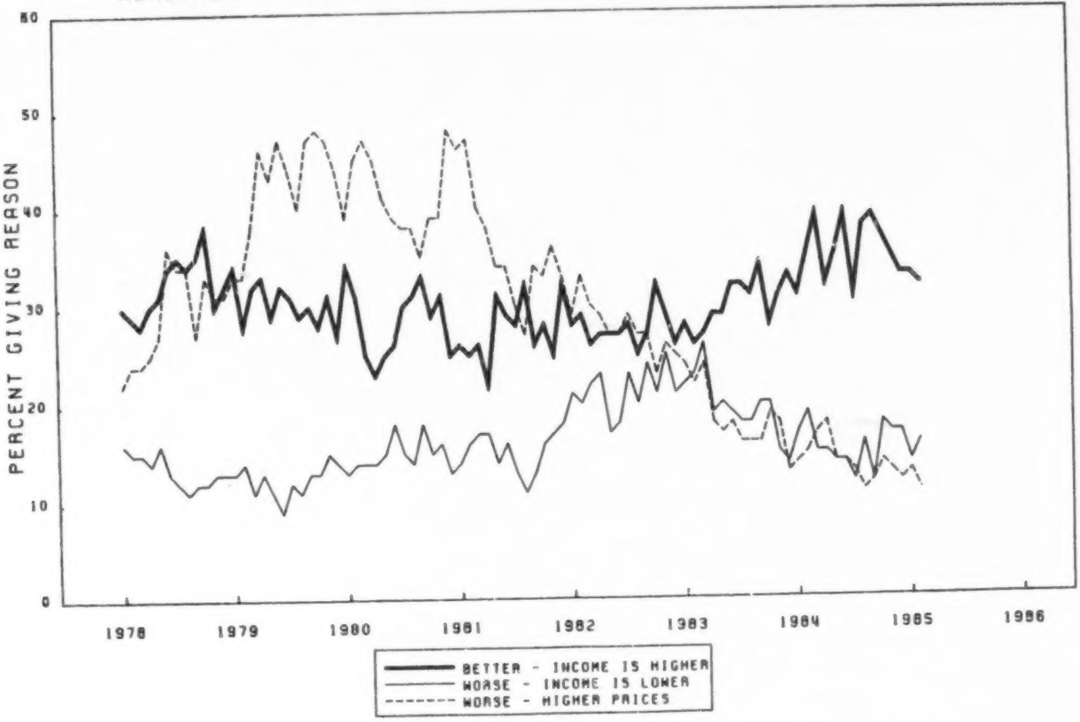


CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

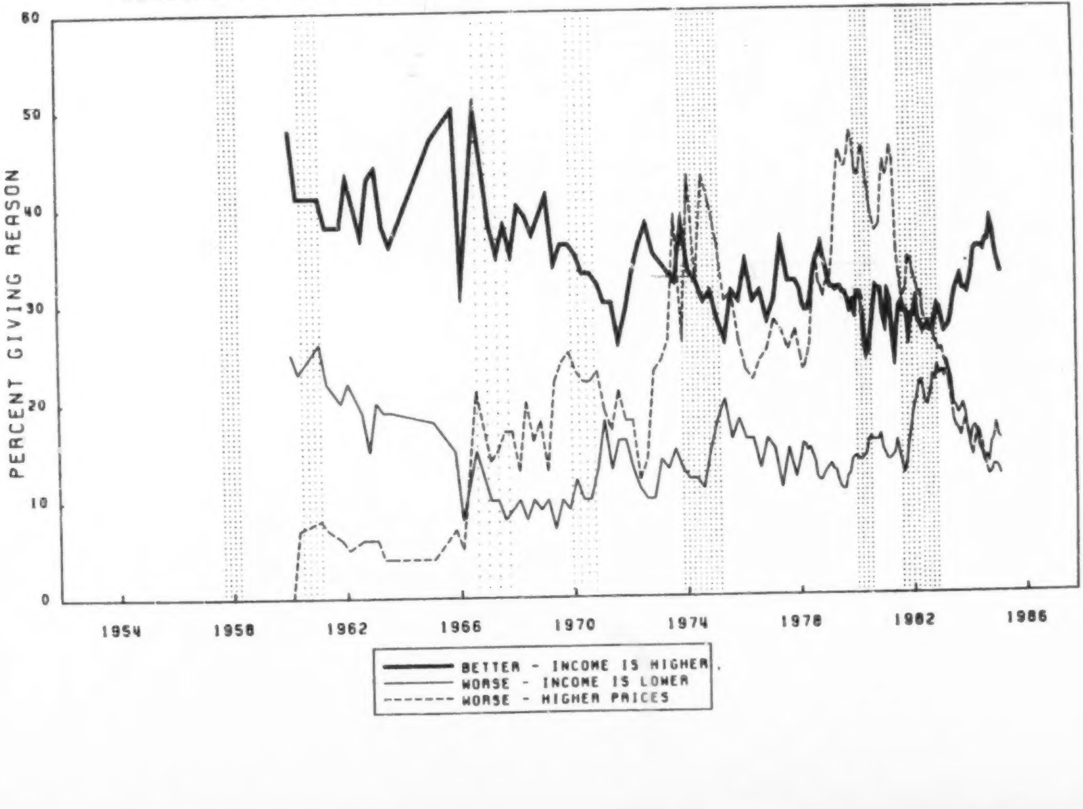


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

TABLE 5

SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
BETTER OFF THAN YEAR AGO:													
Income is higher	35%	39%	32%	35%	39%	31%	38%	39%	37%	35%	33%	33%	32%
WORSE OFF THAN YEAR AGO:													
Income is lower	19	15	15	14	14	12	16	12	18	17	17	14	16
Higher prices	15	17	18	14	14	13	11	12	14	13	12	13	11

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

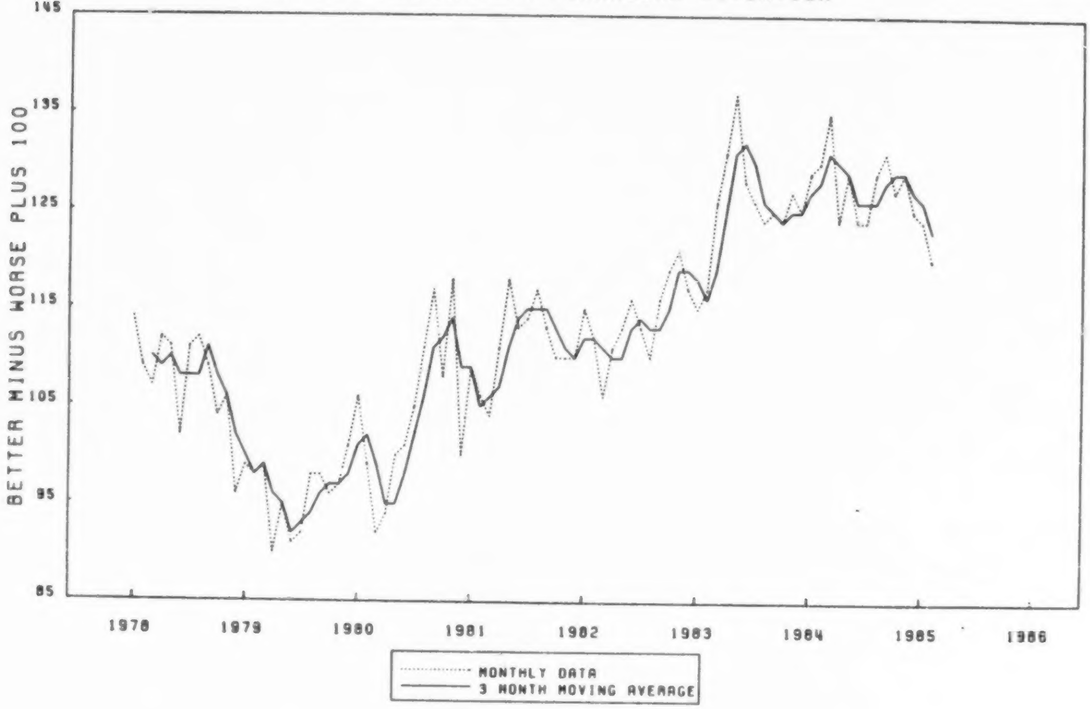


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION

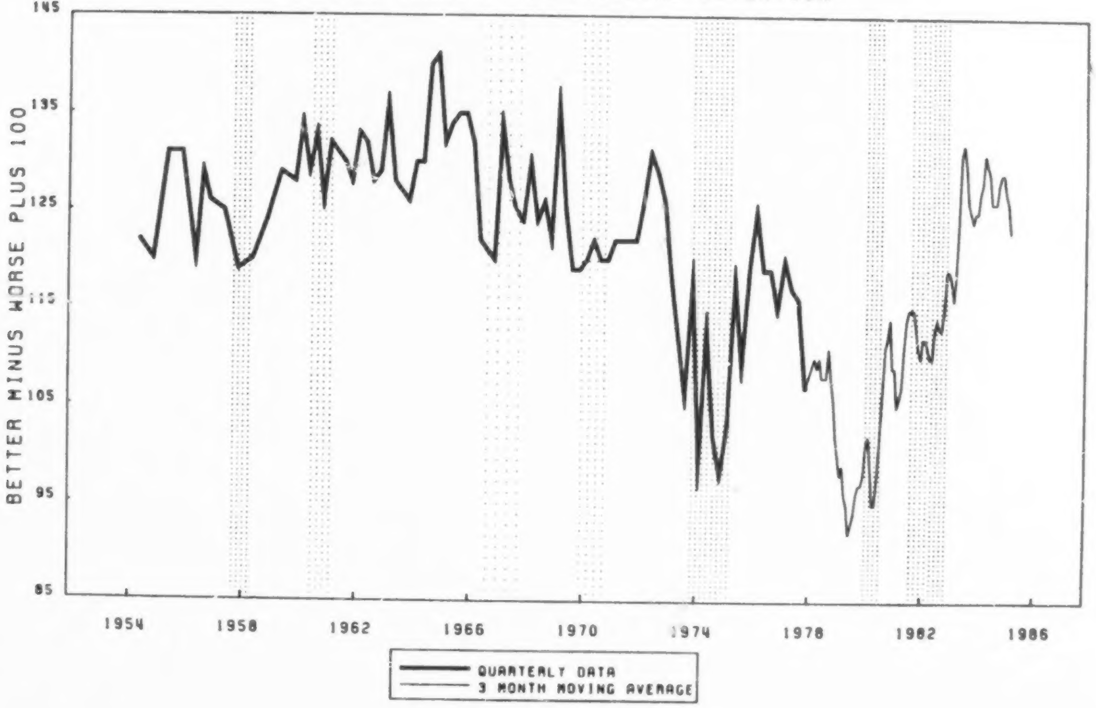


TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
BETTER OFF	41%	44%	37%	40%	35%	34%	38%	39%	38%	39%	36%	35%	33%
SAME	44	44	48	47	52	51	49	49	47	48	50	52	50
WORSE OFF	11	9	13	11	11	10	9	8	11	10	11	11	13
DK,NA	4	3	2	2	2	5	4	4	4	3	3	2	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

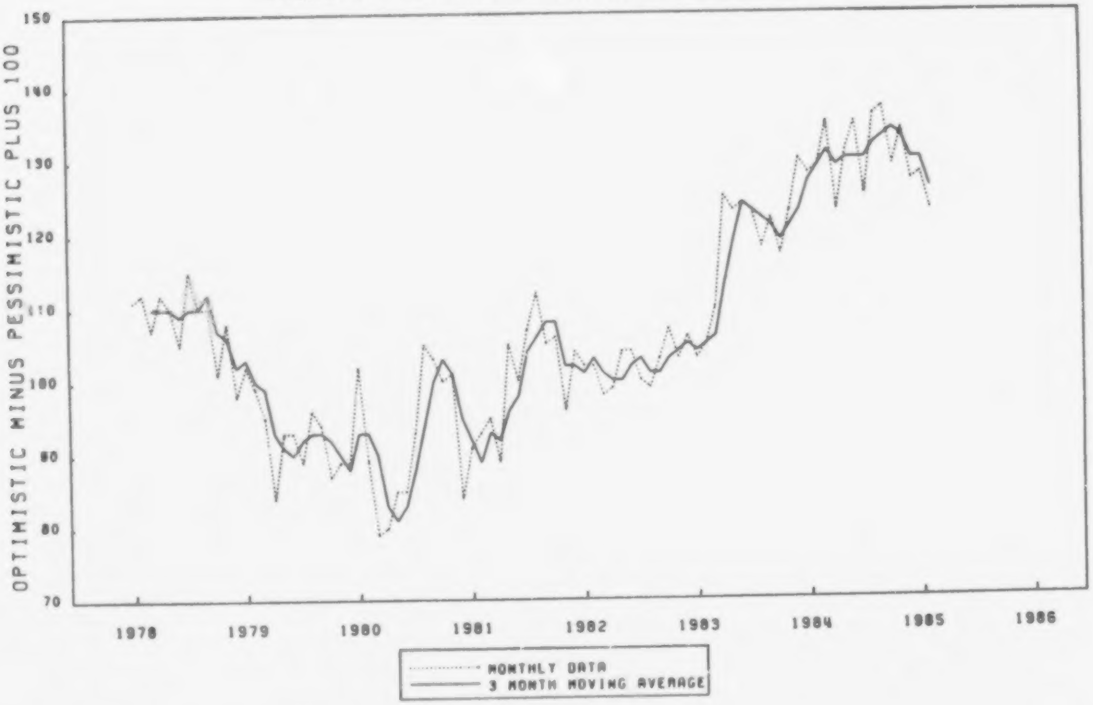


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION

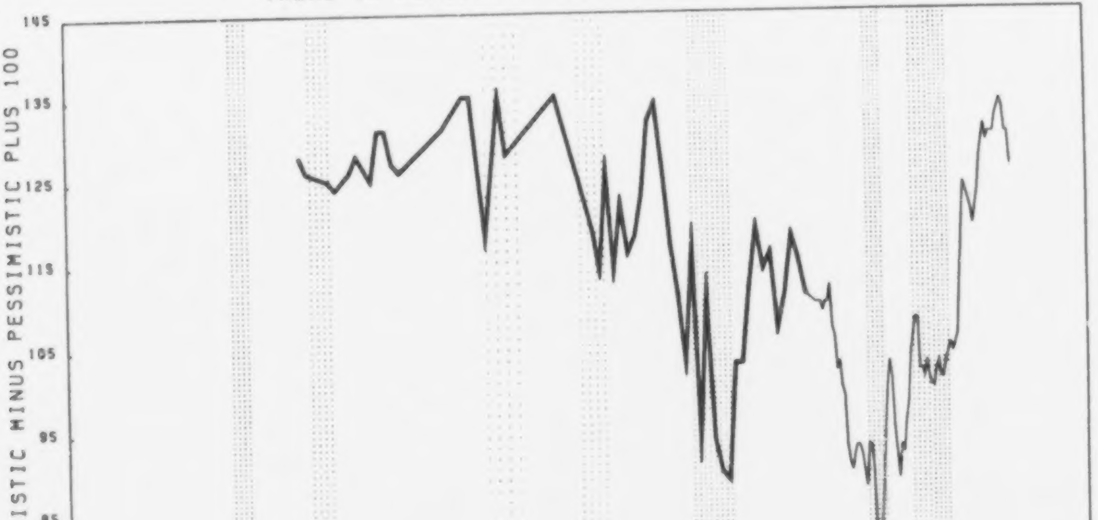


TABLE 7

TREND IN PERSONAL FINANCIAL SITUATION

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
PERSONAL FINANCIAL PROGRESS:													
Continuous increase (a)	24%	27%	23%	23%	20%	22%	24%	25%	21%	21%	23%	19%	20%
Intermittent increase (b)	25	27	22	24	32	24	30	28	28	32	25	28	24
Remain unchanged (c)	17	14	19	21	19	21	17	20	17	15	19	22	20
Intermittent decline (d)	16	14	16	12	12	16	13	12	15	14	15	15	15
Continuous decline (e)	4	5	6	4	5	5	5	4	5	5	6	4	6
Mixed change (f)	10	10	11	14	10	7	8	7	10	10	9	9	12
DK,NA	4	3	3	2	2	5	3	4	4	3	3	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME

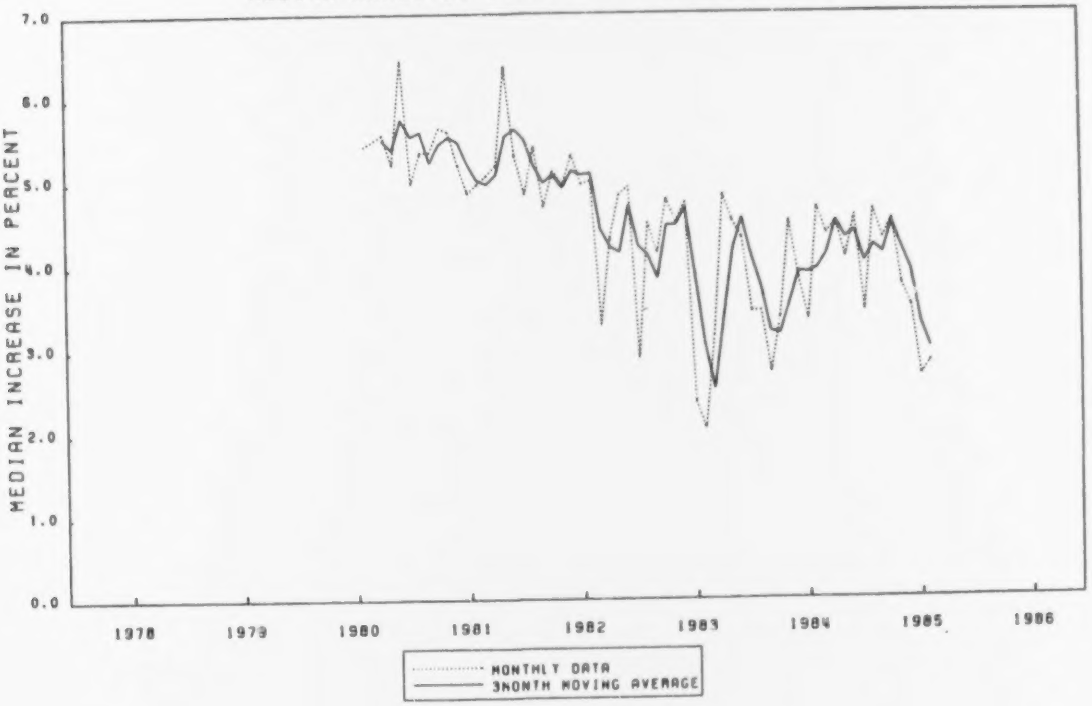


CHART 8 - HISTORICAL SERIES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME

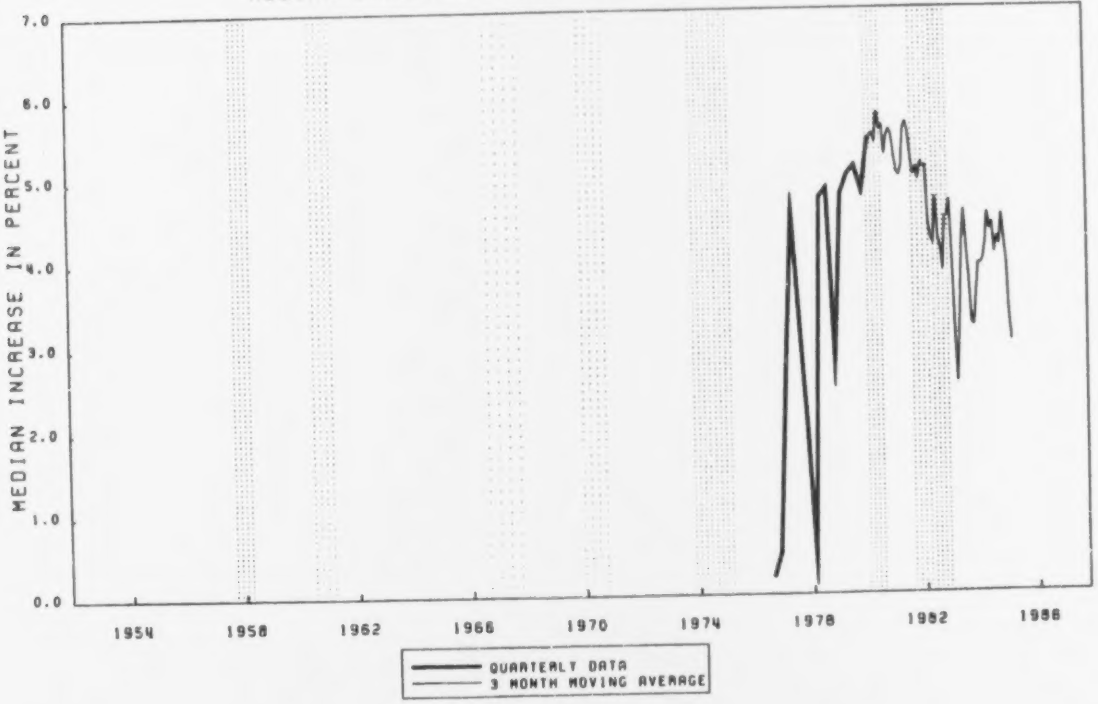


TABLE 8

EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
EXPECT INCREASE:													
1-4%	13%	14%	11%	11%	12%	17%	13%	15%	10%	13%	12%	12%	14%
5%	13	9	11	9	11	12	11	10	10	9	10	9	11
6-9%	10	8	8	7	12	8	11	10	8	7	8	9	6
10-24%	19	18	18	21	17	17	18	18	20	19	17	17	16
25% or more	6	11	8	8	7	6	7	7	8	8	7	6	7
DK how much up	4	6	5	6	3	4	3	4	5	6	7	3	3
EXPECT SAME	22	26	22	26	24	23	24	23	25	23	23	27	26
EXPECT DOWN	11	7	15	11	11	11	11	11	12	13	15	16	16
DK,NA	2	1	2	1	3	2	2	2	2	2	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES
INCOME OR PRICES UP MORE DURING THE LAST YEAR

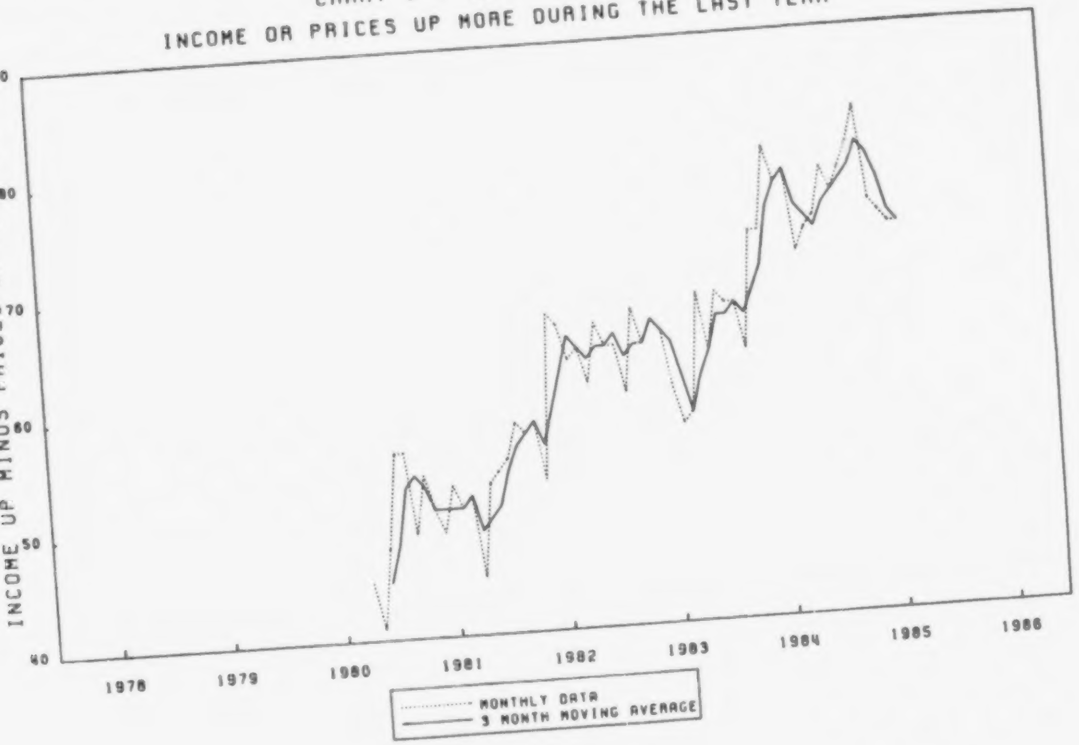


CHART 9 - HISTORICAL SERIES
INCOME OR PRICES UP MORE DURING THE LAST YEAR

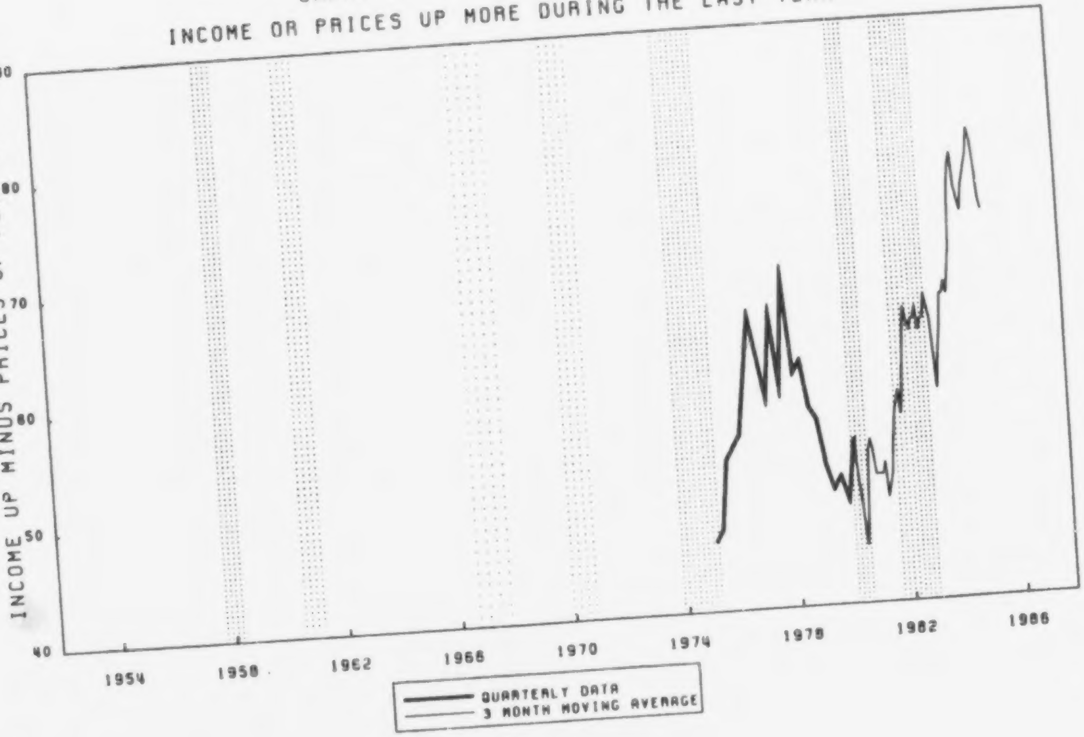


TABLE 9

PAST CHANGE IN REAL FAMILY INCOME

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
INCOME UP MORE	22%	20%	20%	20%	21%	21%	21%	22%	25%	21%	19%	16%	19%
INCOME UP SAME	32	30	32	33	34	33	34	36	31	31	35	40	34
PRICES UP MORE	44	49	47	46	43	45	43	42	42	46	45	43	46
DK,NA	2	1	1	1	2	1	2	*	2	2	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

* : Less than half of one percent.

CHART 10 - RECENT CHANGES
INCOME OR PRICES UP MORE NEXT YEAR

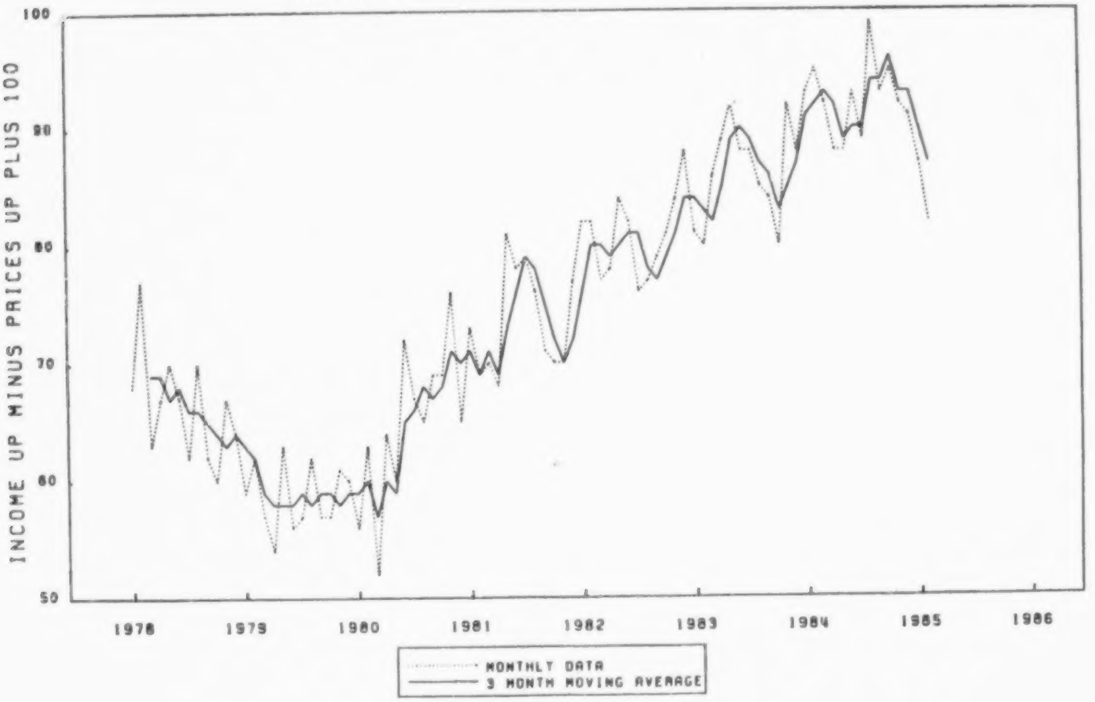


CHART 10 - HISTORICAL SERIES
INCOME OR PRICES UP MORE NEXT YEAR

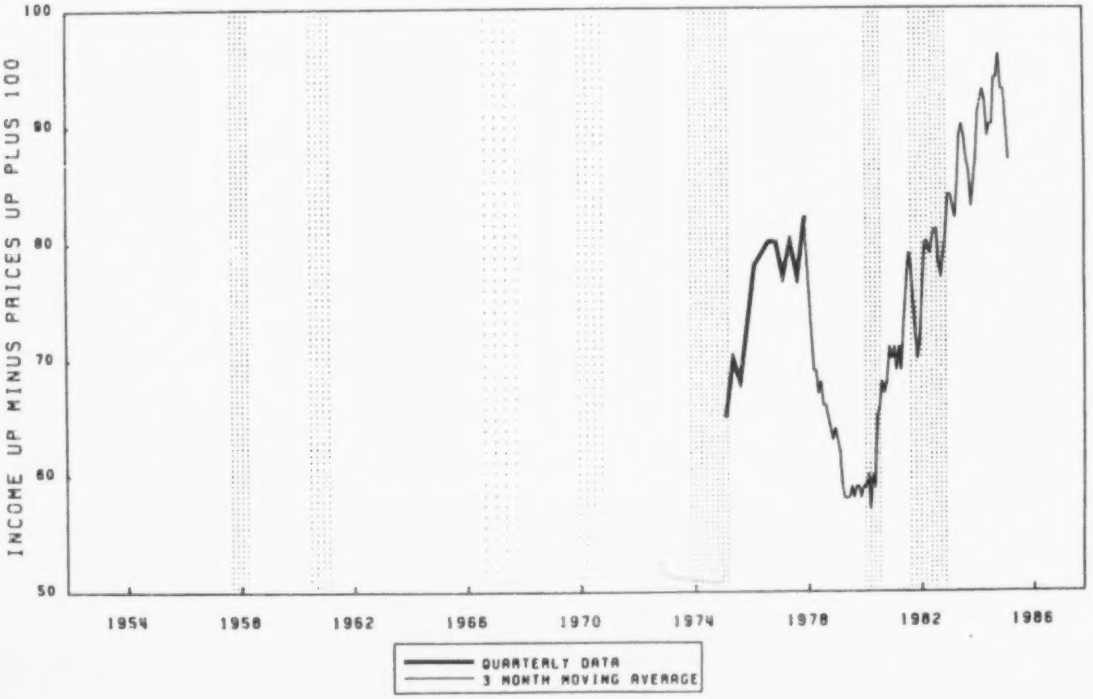


TABLE 10

EXPECTED CHANGE IN REAL FAMILY INCOME

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
INCOME UP MORE	24%	23%	21%	22%	22%	22%	25%	23%	25%	23%	21%	20%	20%
INCOME UP SAME	45	44	43	42	47	41	45	44	43	44	46	45	40
PRICES UP MORE	29	31	33	34	29	33	26	30	30	31	30	33	38
DK,NA	2	2	3	2	2	4	4	3	2	2	3	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON

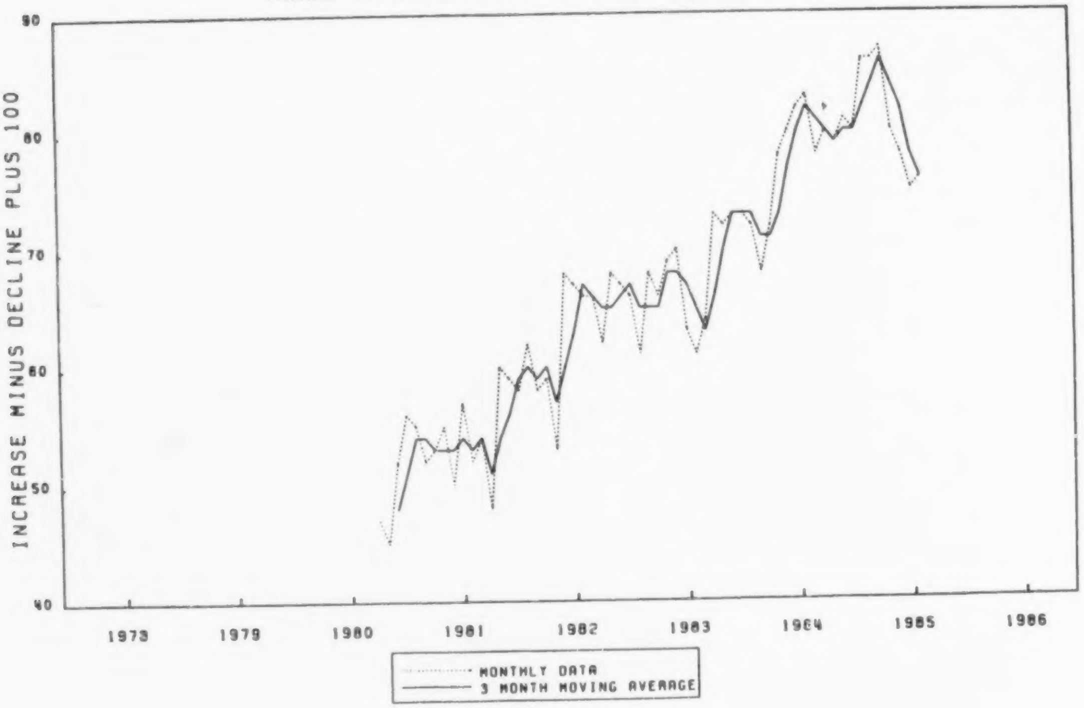


CHART 11 - HISTORICAL SERIES
TREND IN INCOME AND PRICE COMPARISON

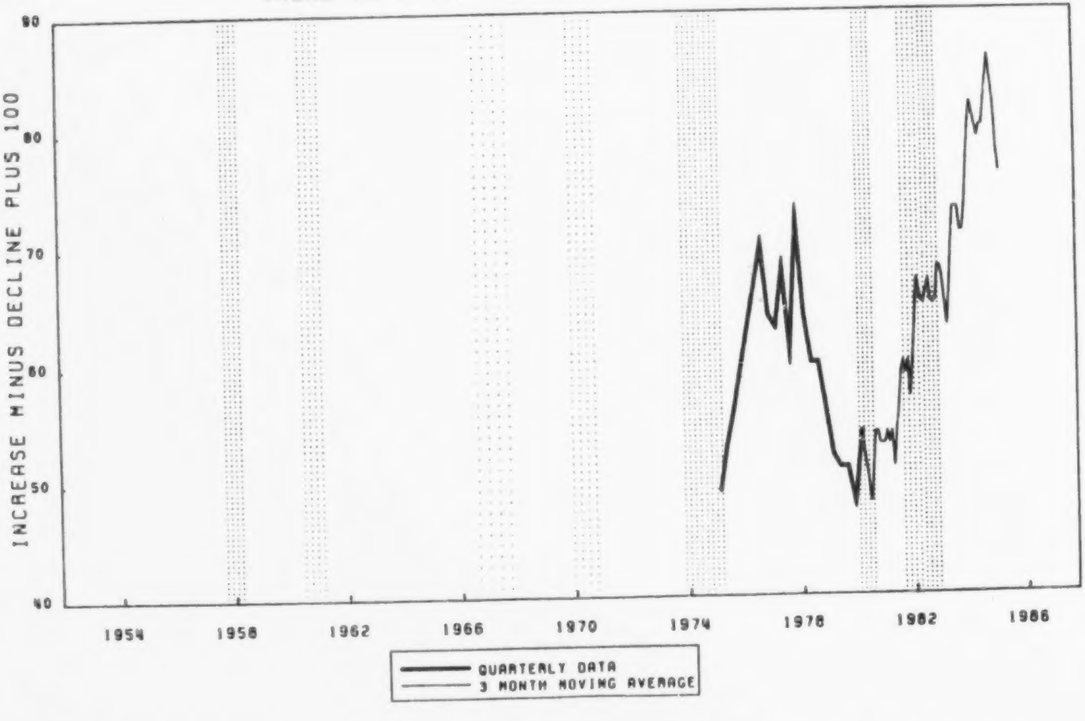


TABLE 11

TREND IN FAMILY INCOME AND PRICES COMPARISONS

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
REAL INCOME PROGRESS:													
Continuous increase (a)	13%	12%	10%	9%	11%	10%	12%	12%	14%	12%	10%	8%	10%
Intermittent increase (b)	13	12	14	17	13	14	15	16	14	14	12	13	14
Remain unchanged (c)	20	20	21	17	22	20	21	22	20	19	23	24	20
Intermittent decline (d)	22	20	18	22	23	20	22	20	18	22	22	23	19
Continuous decline (e)	21	26	26	25	20	24	19	22	23	24	22	23	29
Mixed change (f)	6	8	7	7	8	8	6	5	7	6	8	6	6
DK,NA	5	2	4	3	3	4	5	3	4	3	3	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART12 - RECENT CHANGES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

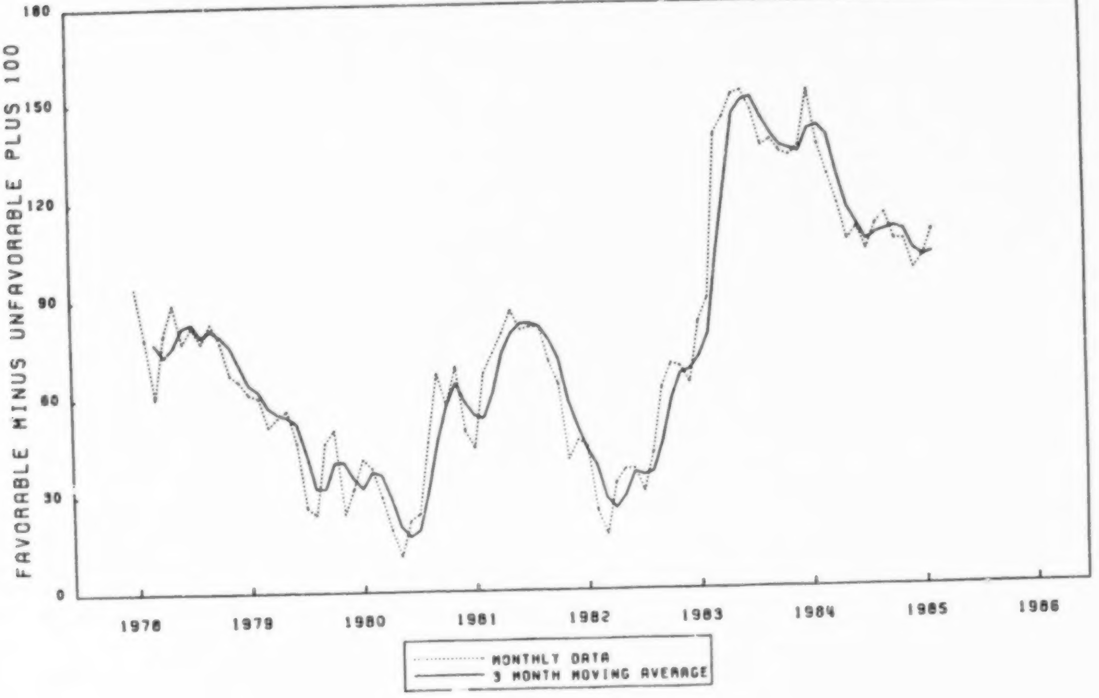


CHART12 - HISTORICAL SERIES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

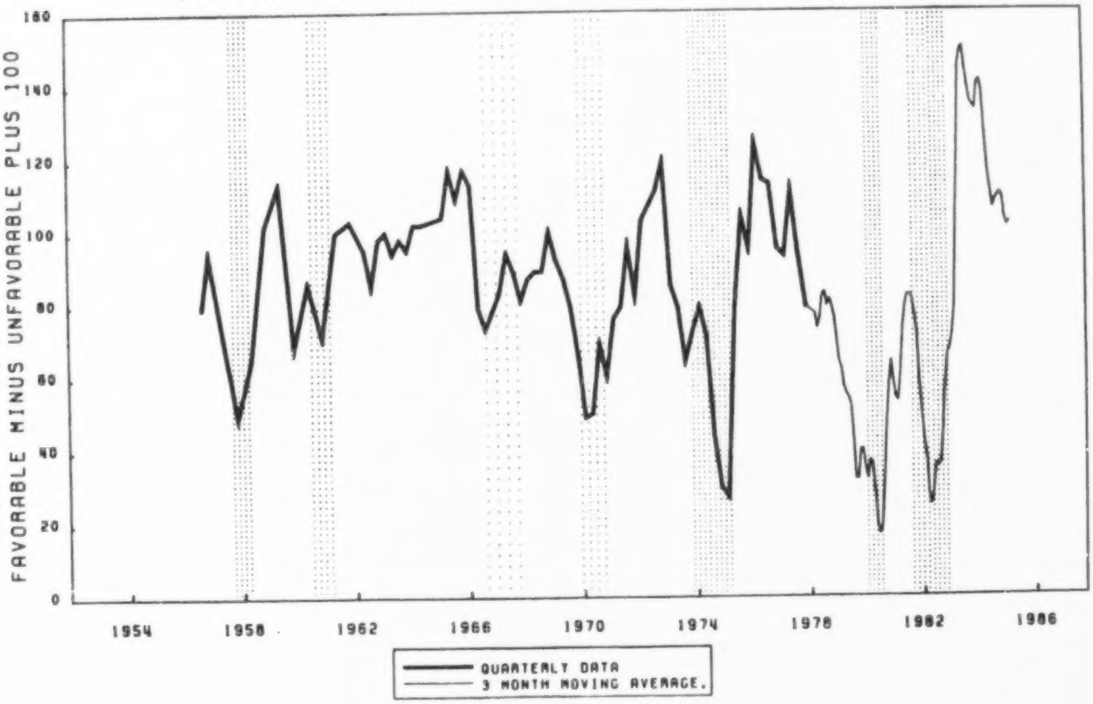


TABLE 12

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
FAVORABLE NEWS	66%	58%	49%	47%	50%	42%	51%	52%	44%	41%	39%	43%	50%
UNFAVORABLE NEWS	31	32	32	41	40	39	40	38	38	35	42	42	41
NO MENTIONS	38	43	46	41	41	46	39	41	44	49	46	44	41

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

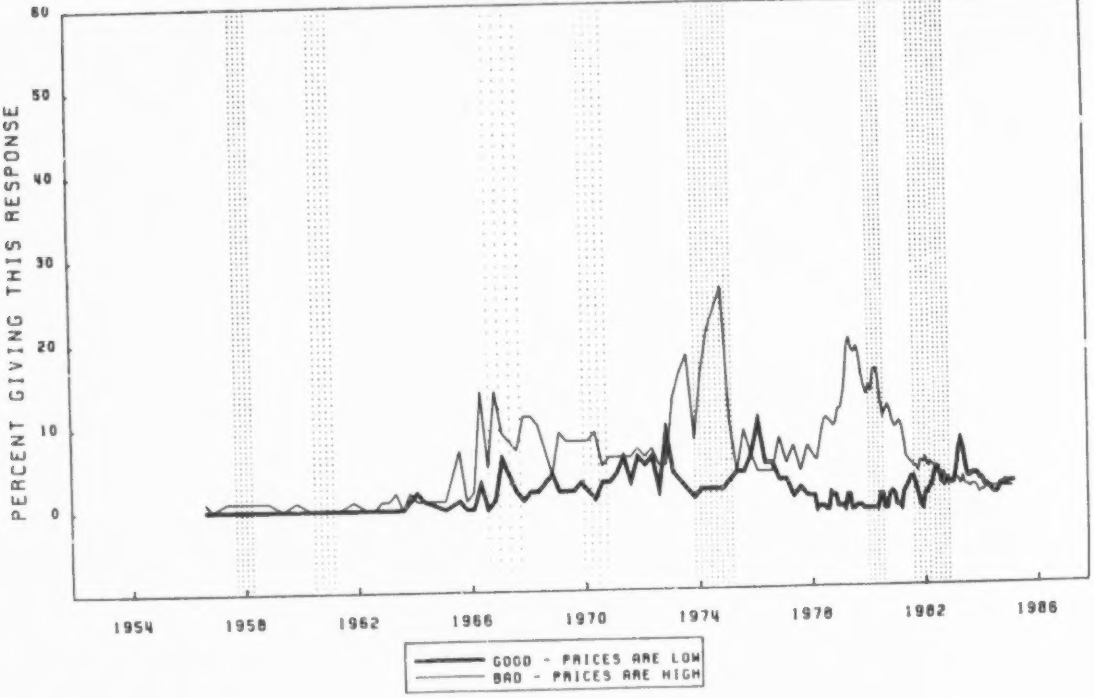


CHART 13B - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

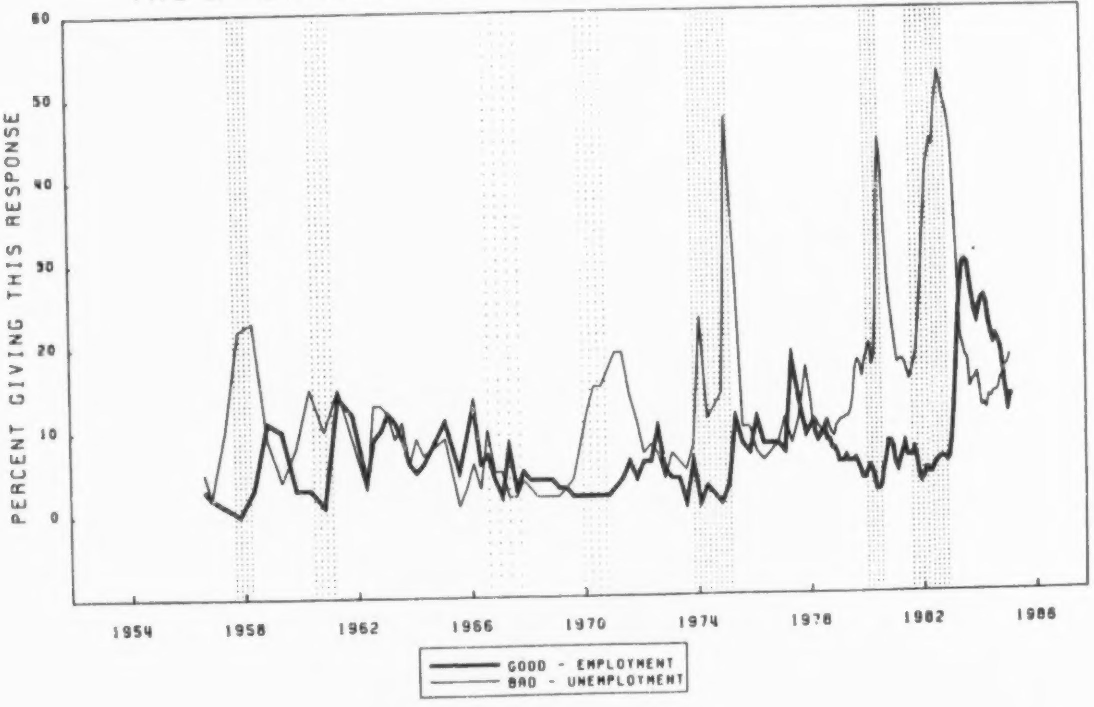


TABLE 13

SELECTED ITEMS OF NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
FAVORABLE NEWS:													
Government; elections	2%	1%	1%	1%	2%	2%	2%	3%	1%	2%	3%	4%	3%
Employment	25	25	23	18	21	20	20	19	18	13	11	12	17
Consumer demand high	15	10	8	10	8	4	7	7	5	4	5	5	5
Prices are low	1	2	1	1	1	1	2	3	1	3	2	2	3
Credit is easy	4	5	4	2	3	2	4	3	4	8	9	10	9
UNFAVORABLE NEWS:													
Government; elections	5	4	2	3	2	4	4	4	3	3	6	5	6
Unemployment	10	14	11	15	13	13	15	14	17	16	17	18	19
Consumer demand low	1	1	*	2	1	2	2	2	1	2	3	3	3
Prices are high	1	2	1	2	2	1	2	2	1	2	2	1	2
Credit is tight	2	3	9	10	12	13	9	6	5	3	2	2	1
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

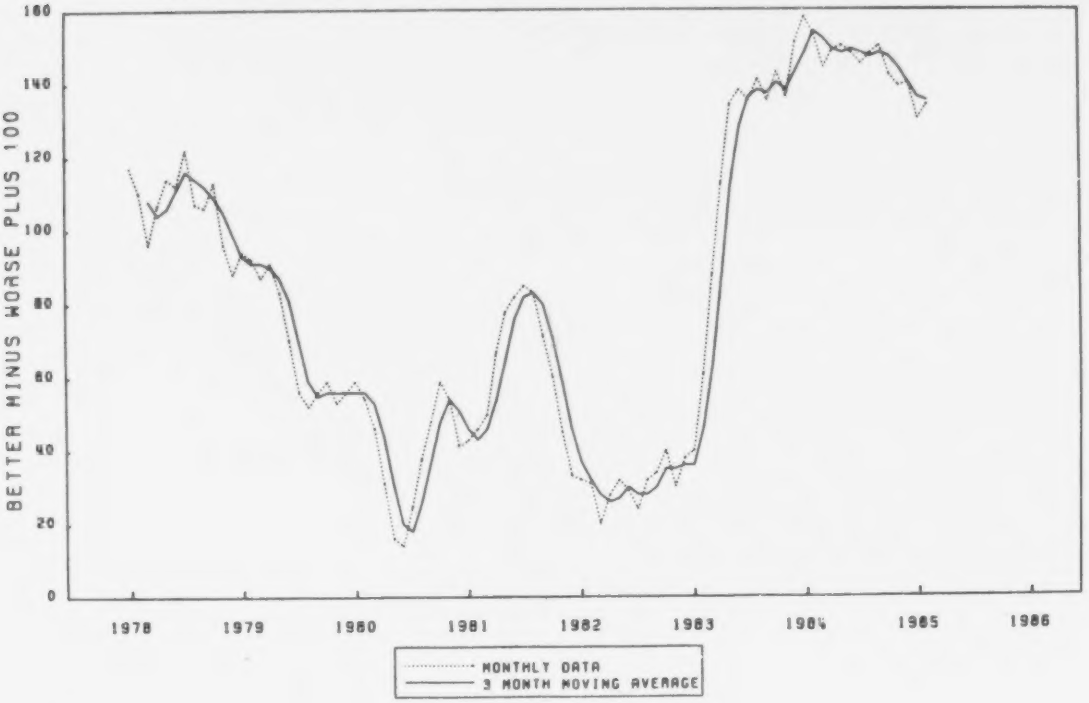


CHART 14 - HISTORICAL SERIES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

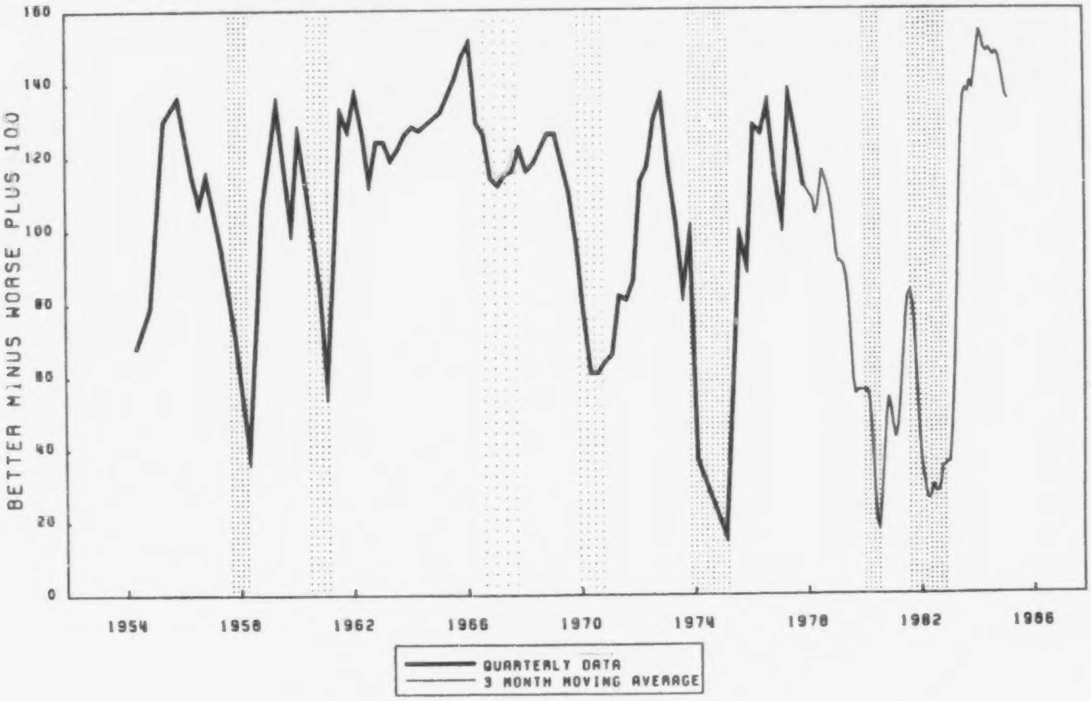


TABLE 14

CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
BETTER NOW	72%	67%	68%	70%	67%	67%	68%	68%	65%	63%	63%	57%	60%
SAME	8	9	11	9	12	9	11	12	10	12	13	14	12
WORSE NOW	19	23	19	20	19	22	20	18	23	24	23	27	26
DK,NA	1	1	2	1	2	2	1	2	2	1	1	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

CHART 15 - RECENT CHANGES

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

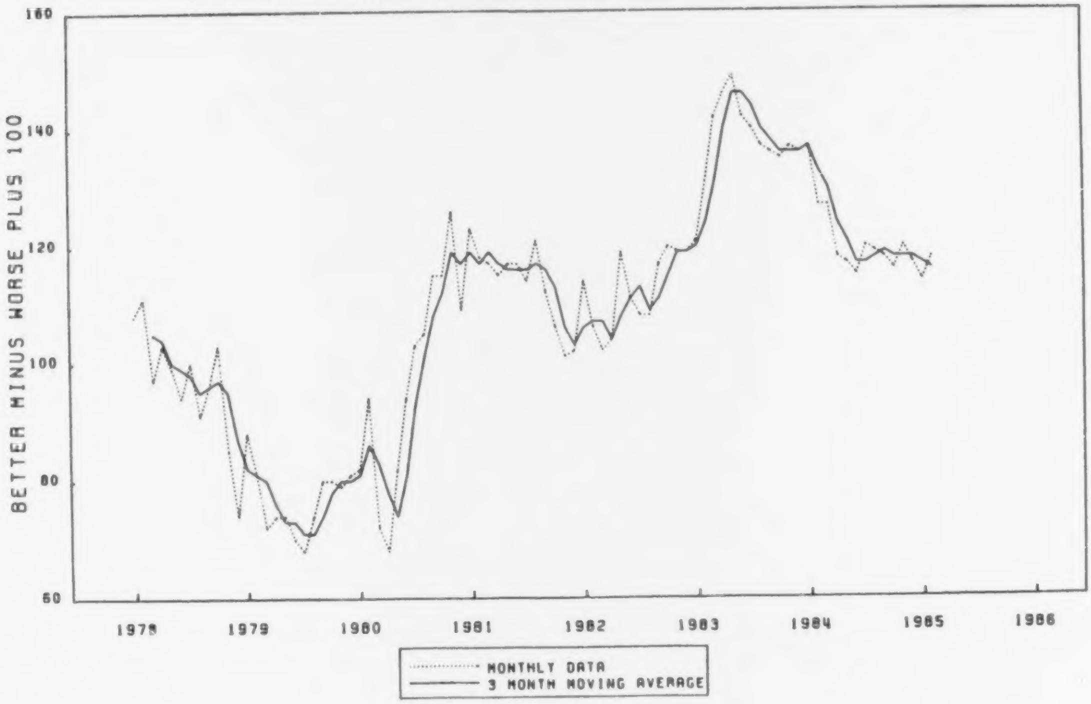


CHART 15 - HISTORICAL SERIES

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

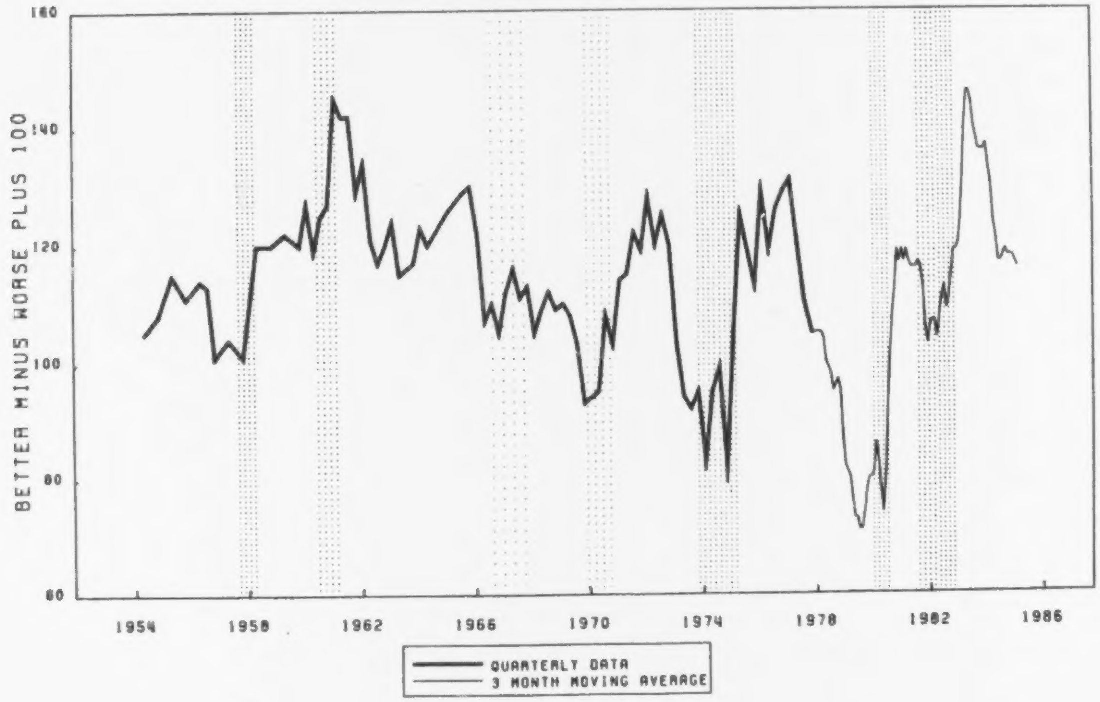


TABLE 15

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
BETTER	38%	38%	32%	31%	30%	32%	33%	33%	32%	35%	33%	29%	33%
SAME	48	49	52	53	53	51	49	48	49	48	47	55	50
WORSE	11	11	14	14	15	12	14	15	16	15	16	15	15
DK,NA	3	2	2	2	2	5	4	4	3	2	4	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

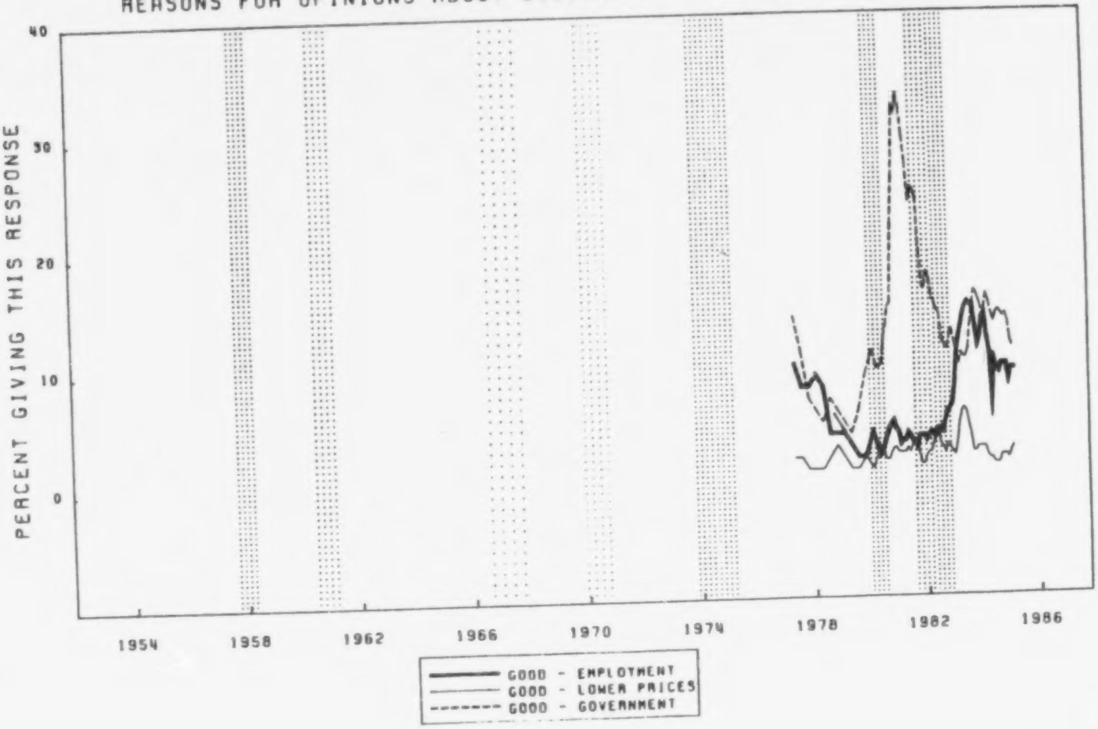


CHART 16B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

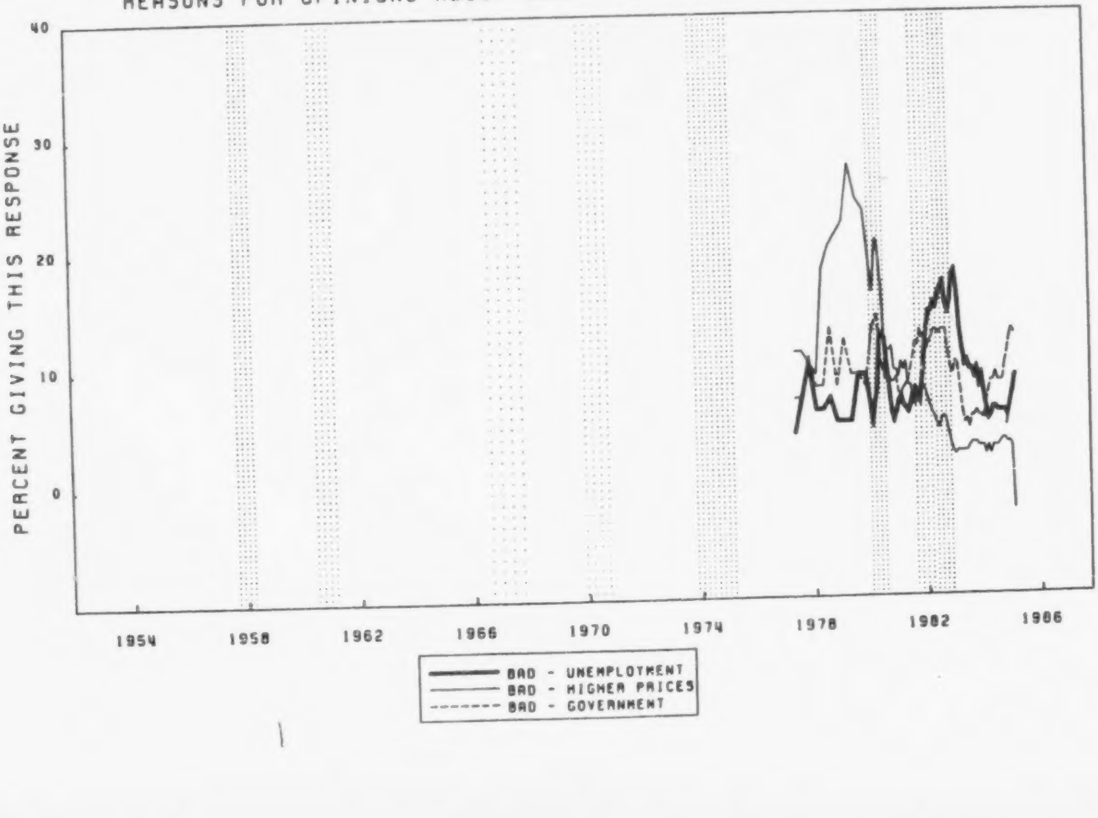


TABLE 16

REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
FAVORABLE REASONS:													
Government; elections	15%	17%	13%	12%	15%	15%	13%	14%	14%	14%	12%	9%	12%
Employment	11	10	11	9	10	9	8	12	9	8	8	12	8
Higher consumer demand	5	4	4	5	4	5	5	2	2	5	4	4	4
Lower prices	1	2	1	2	1	1	2	3	1	2	2	3	3
Easier credit	4	2	2	2	2	4	4	4	3	5	6	4	4
UNFAVORABLE REASONS:													
Government; elections	9	9	7	9	11	5	9	11	9	12	15	11	11
Unemployment	4	5	7	6	5	6	6	5	6	5	8	9	9
Lower consumer demand	1	1	2	2	2	2	3	2	2	3	4	2	2
Higher prices	1	3	2	3	2	3	4	3	3	3	3	2	3
Tighter credit	4	2	7	7	8	7	5	4	4	3	3	4	3
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

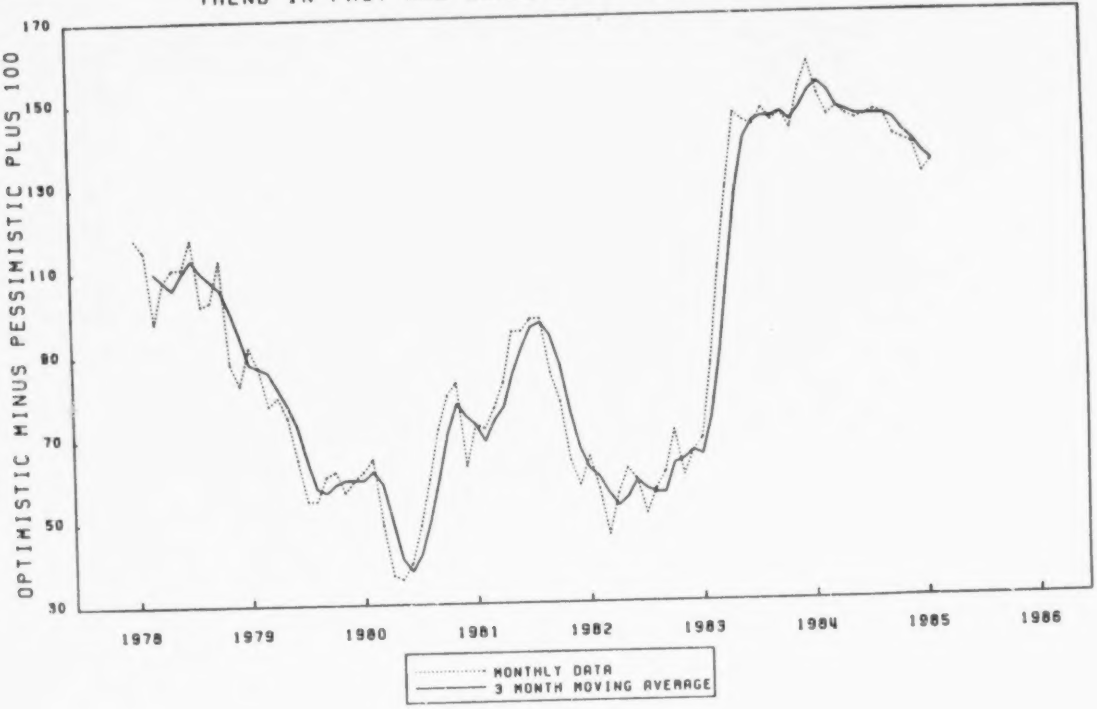


CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

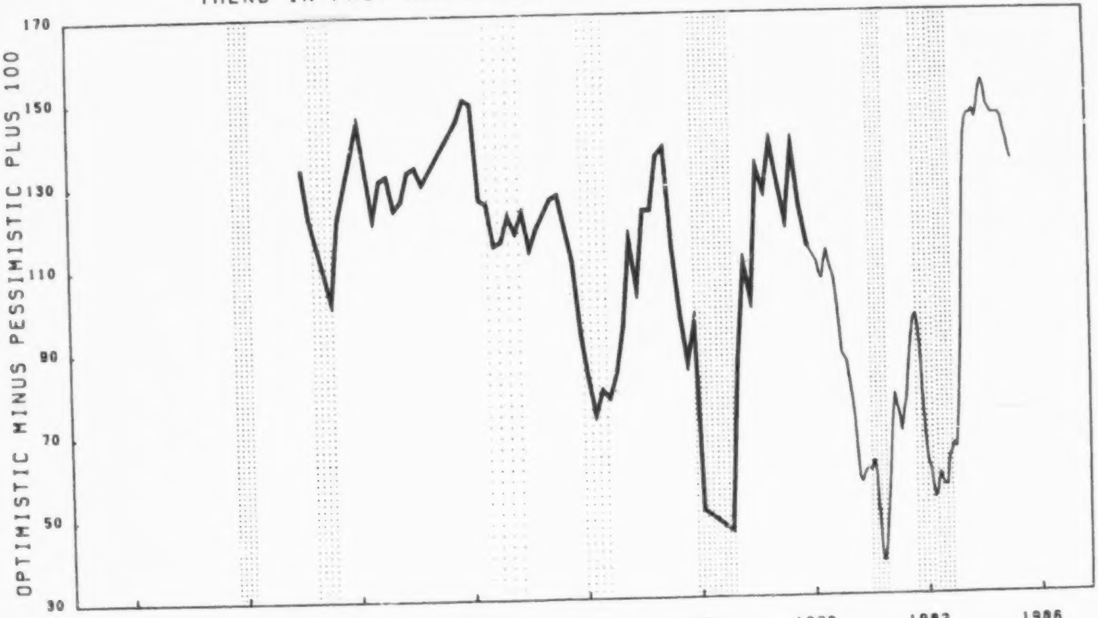


TABLE 17

TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
TREND:													
Continuous increase (a)	32%	31%	25%	27%	25%	25%	25%	27%	24%	28%	27%	21%	26%
Intermittent increase (b)	34	32	39	36	37	38	36	35	36	32	32	36	31
Remain unchanged (c)	5	6	7	7	7	4	6	6	5	6	7	8	7
Intermittent decline (d)	12	14	10	13	11	12	10	11	12	14	13	17	15
Continuous decline (e)	4	4	7	5	7	6	5	6	8	7	8	9	8
Mixed change (f)	10	10	9	10	9	9	12	10	10	9	9	7	9
DK,NA	3	3	3	2	4	6	6	5	5	4	4	2	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

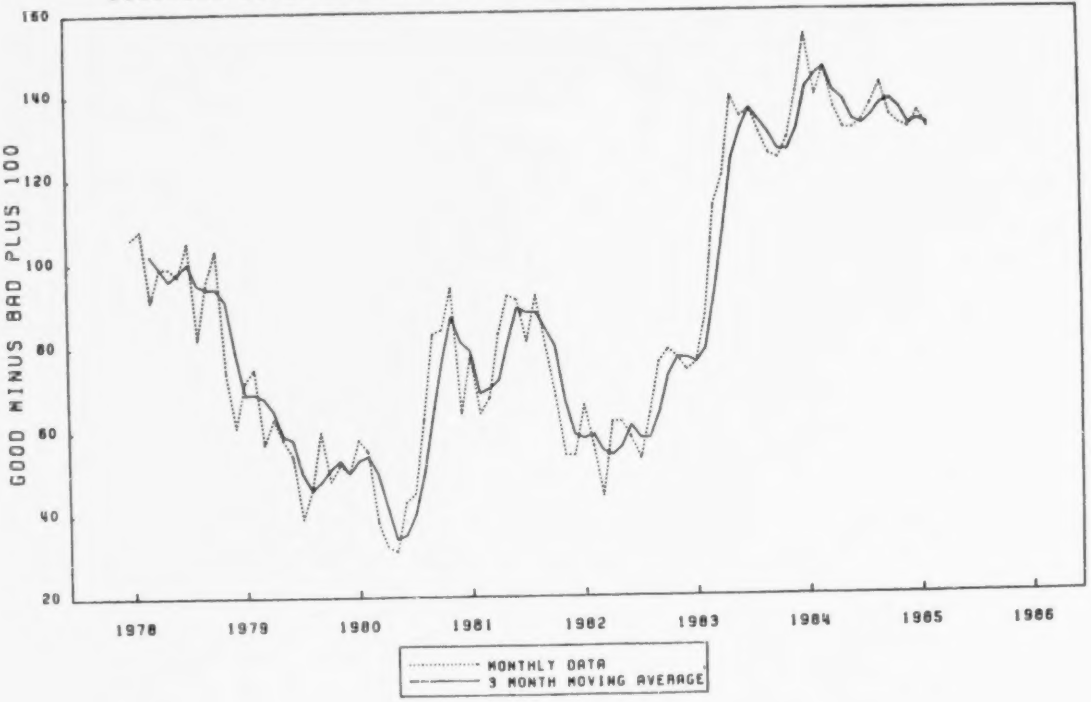


CHART 18 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

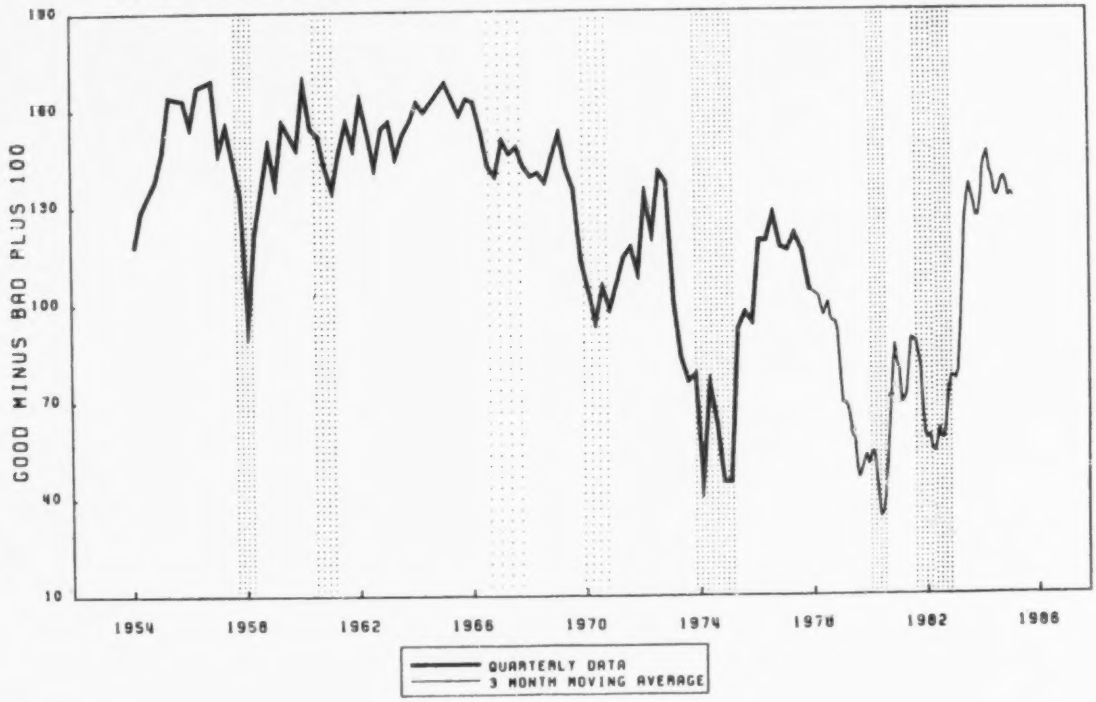


TABLE 18

BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
GOOD TIMES	65%	69%	63%	60%	60%	61%	62%	66%	60%	59%	59%	63%	62%
UNCERTAIN; GOOD & BAD	2	2	3	3	2	2	3	3	4	3	3	4	2
BAD TIMES	26	23	27	29	29	28	25	24	26	27	28	28	31
DON'T KNOW	5	4	5	5	6	6	7	6	6	7	7	4	3
NOT ASCERTAINED	2	2	2	3	3	3	3	1	4	4	3	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months weill have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

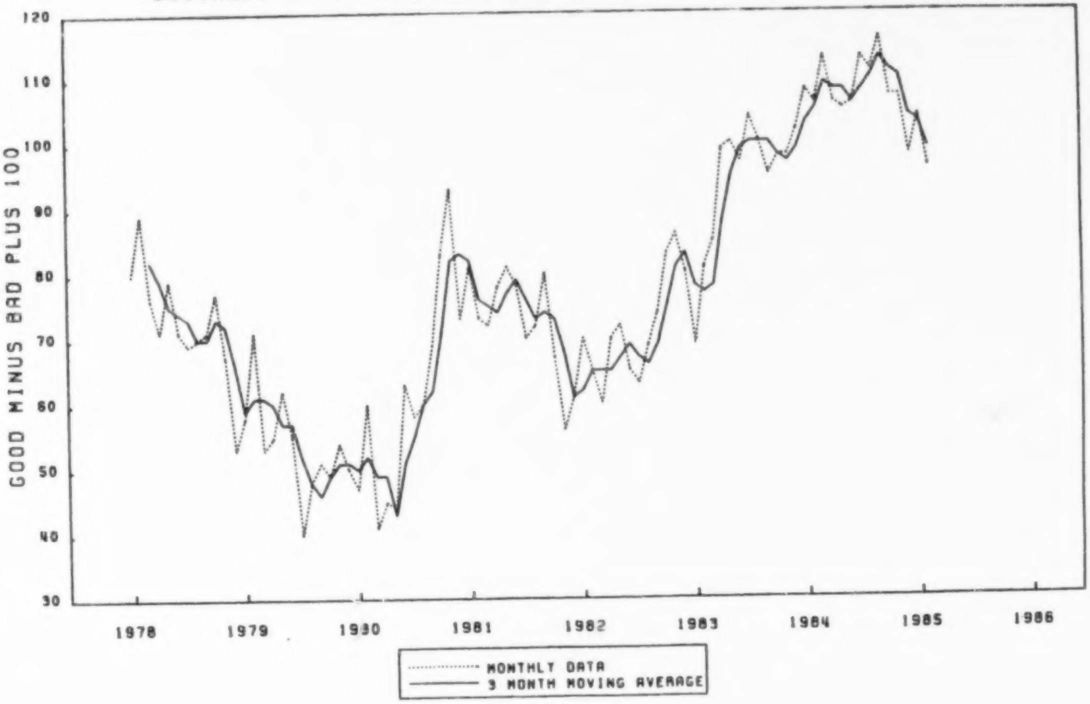


CHART 19 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

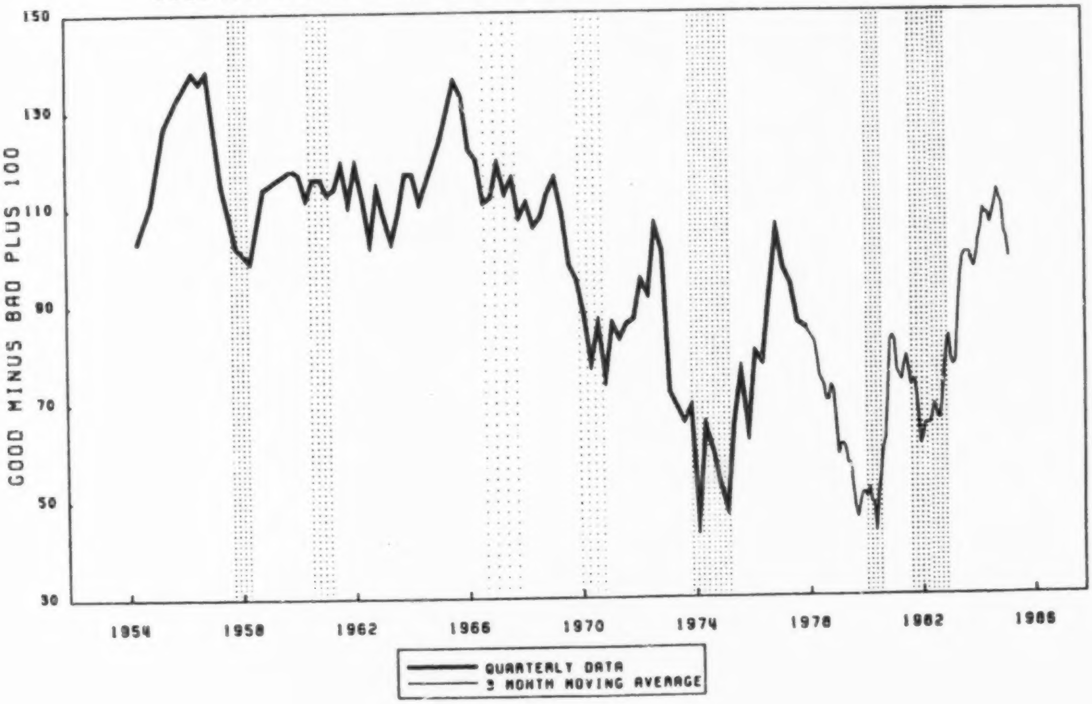


TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
GOOD TIMES	42%	47%	41%	43%	42%	44%	47%	47%	43%	42%	39%	43%	41%
UNCERTAIN; GOOD & BAD	16	15	19	15	17	19	13	17	17	17	15	15	11
BAD TIMES	36	34	35	38	36	31	36	31	36	35	41	39	45
NOT ASCERTAINED	6	4	5	4	5	6	4	5	4	6	5	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

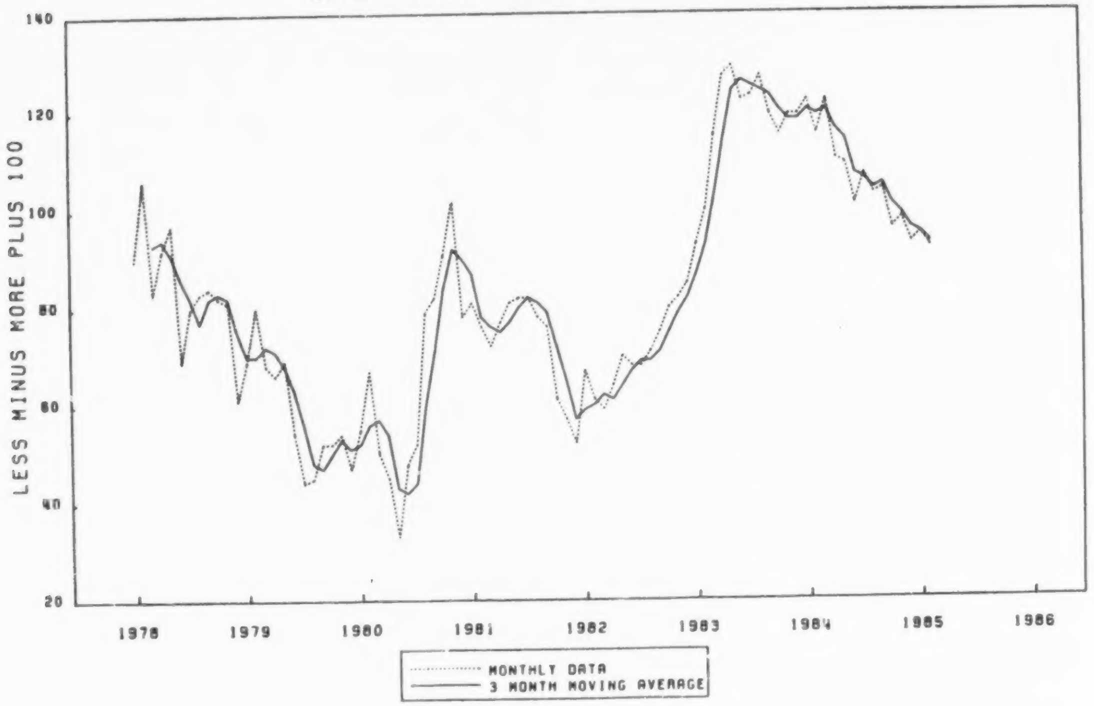


CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

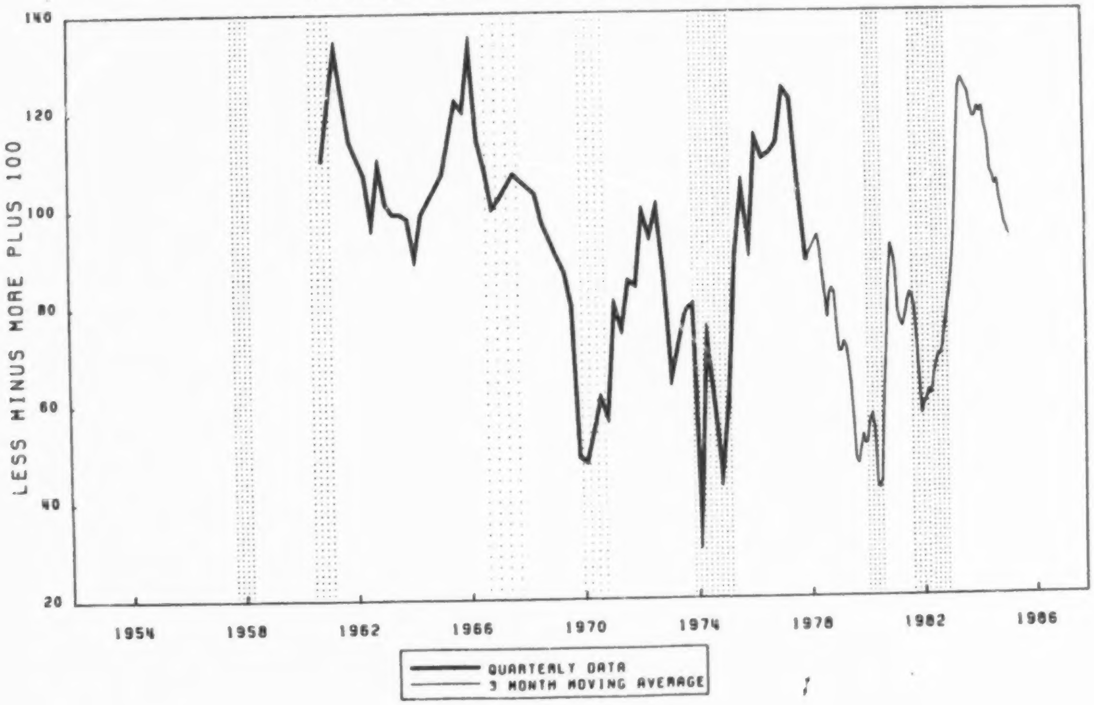


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

TABLE 20

EXPECTED CHANGE IN UNEMPLOYMENT

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
LESS	31%	38%	28%	29%	24%	26%	24%	26%	20%	22%	21%	20%	20%
SAME	50	45	52	51	52	53	54	50	54	52	50	54	50
MORE	16	16	18	20	23	19	21	22	24	24	28	25	28
DK,NA	3	1	2	*	1	2	1	2	2	2	1	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

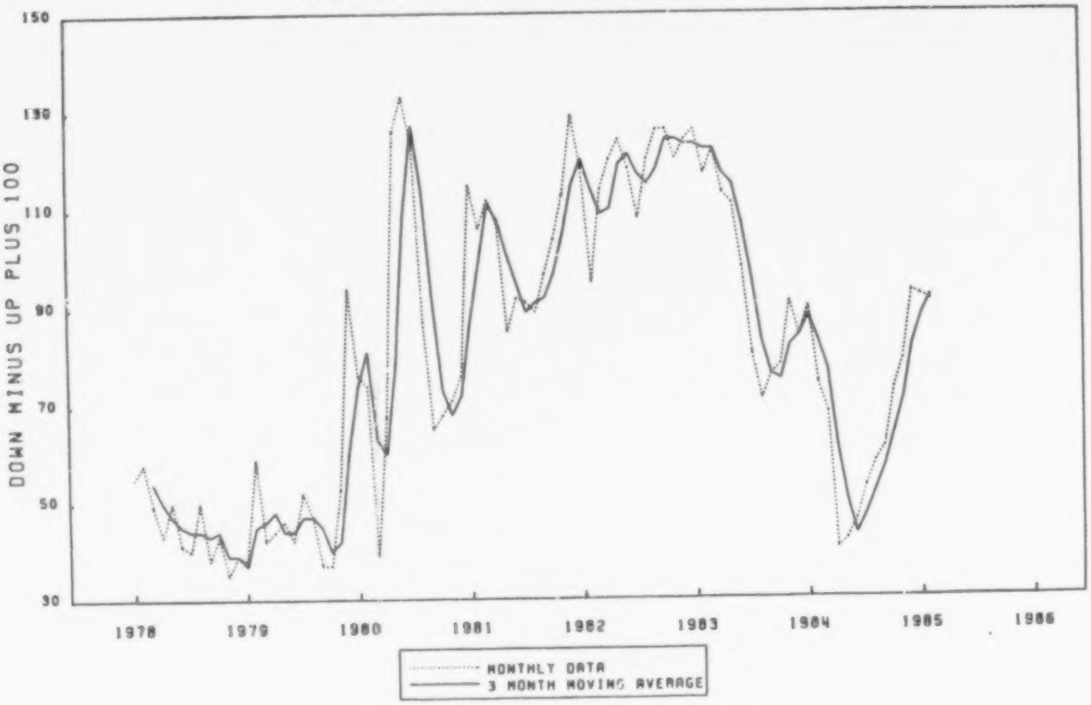


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

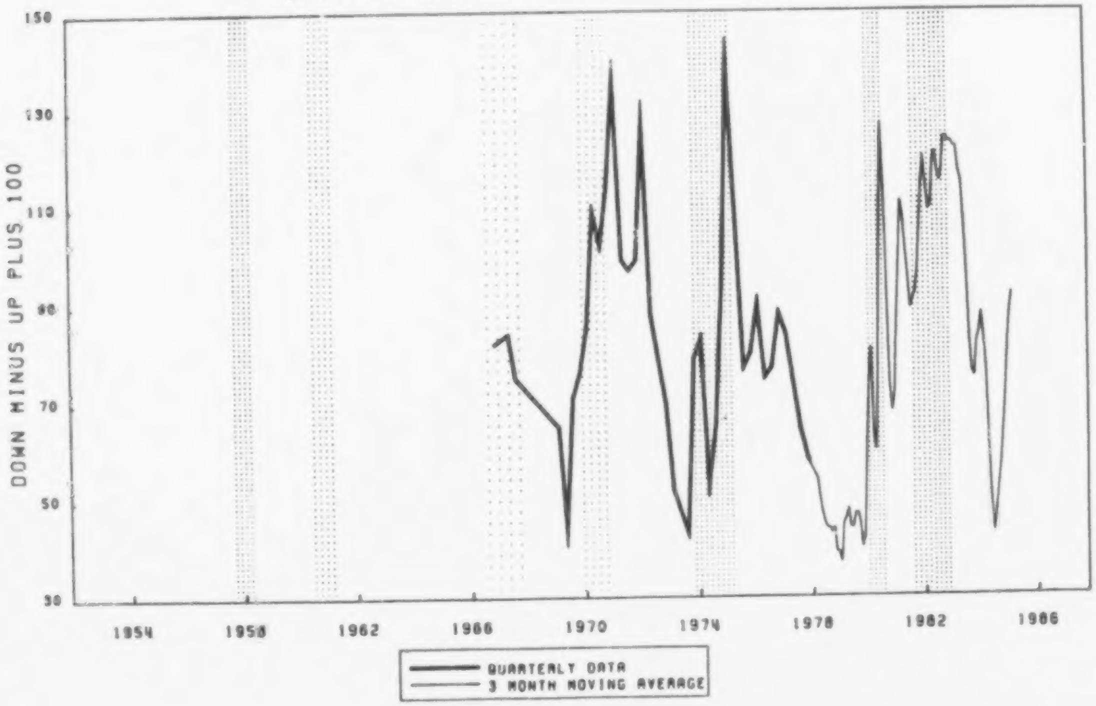


TABLE 21

EXPECTED CHANGE IN INTEREST RATES

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
GO UP	42%	45%	68%	66%	64%	58%	55%	52%	45%	44%	37%	36%	35%
STAY THE SAME	38	37	21	25	24	27	29	32	33	31	30	33	37
GO DOWN	16	13	8	8	10	11	13	13	18	23	30	28	26
DK,NA	4	5	3	1	2	4	3	3	4	2	3	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES
CHANGE IN PRICES DURING THE LAST 12 MONTHS

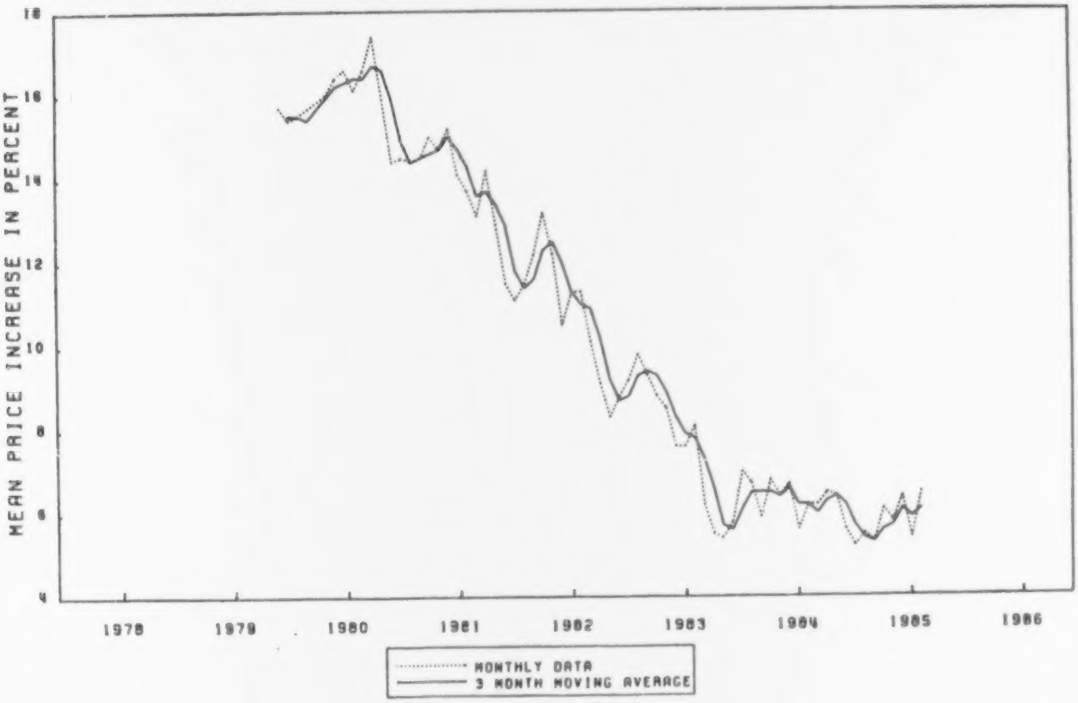


CHART 22 - HISTORICAL SERIES
CHANGE IN PRICES DURING THE LAST 12 MONTHS

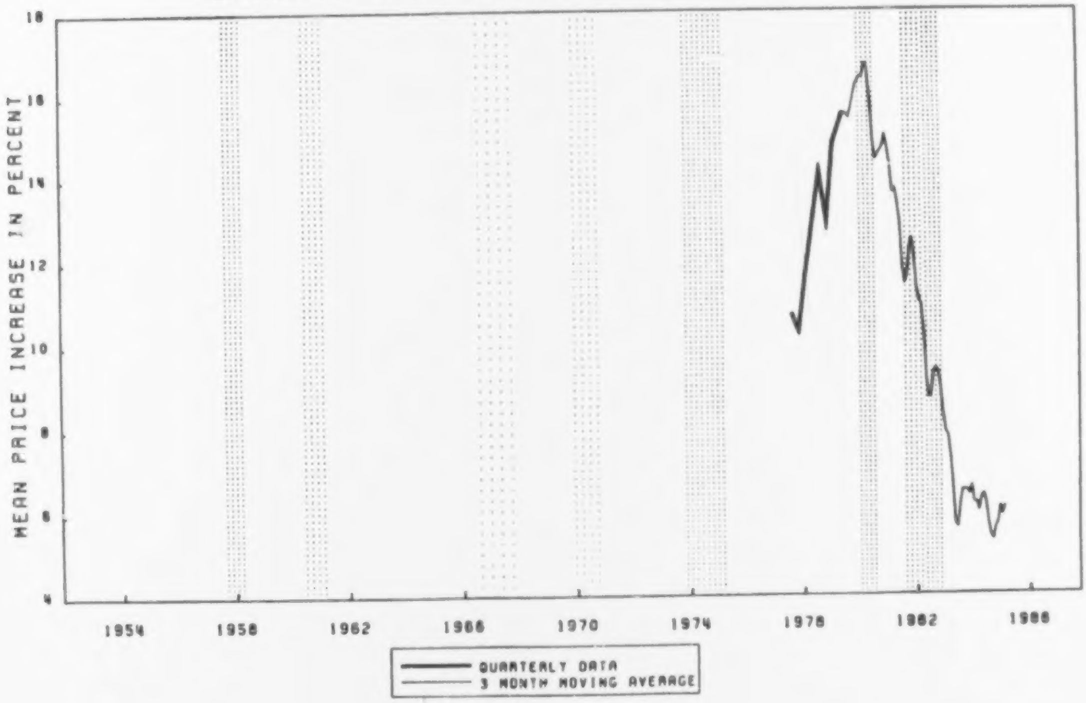


TABLE 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
SAME OR DOWN	23%	23%	22%	23%	22%	27%	29%	29%	28%	27%	24%	25%	25%
GONE UP BY:													
1-2%	9	8	10	10	12	8	10	9	9	11	9	11	11
3-4%	14	16	14	14	17	17	12	16	15	15	14	17	16
5%	17	15	17	17	16	16	18	16	13	14	18	17	13
6-9%	9	10	11	9	8	8	8	7	7	5	6	7	8
10-14%	14	12	9	13	12	11	11	9	11	11	11	10	11
15% or more	9	9	12	10	8	8	7	8	11	10	10	8	11
DK how much up	5	7	5	4	5	4	5	6	5	6	7	5	4
DK,NA	*	*	*	*	*	1	*	*	1	1	1	*	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	6.2	6.2	6.5	6.4	5.6	5.2	5.5	5.3	6.1	5.8	6.4	5.4	6.5
VARIANCE	68	72	75	78	54	48	75	63	84	76	86	66	93
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

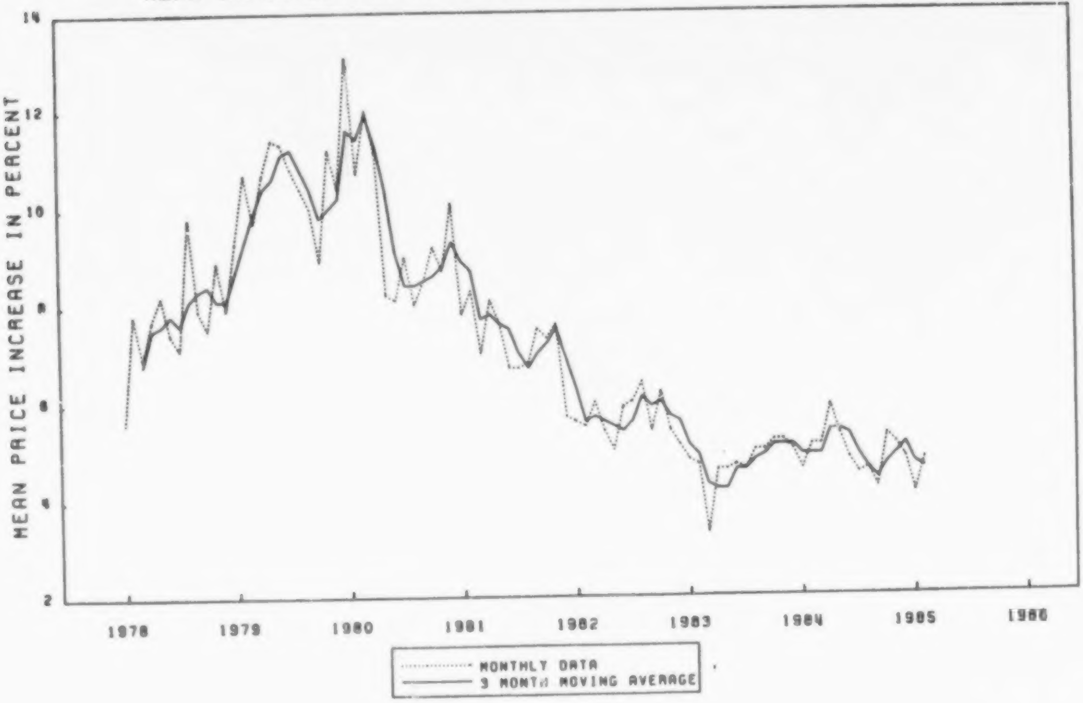


CHART 23 - HISTORICAL SERIES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

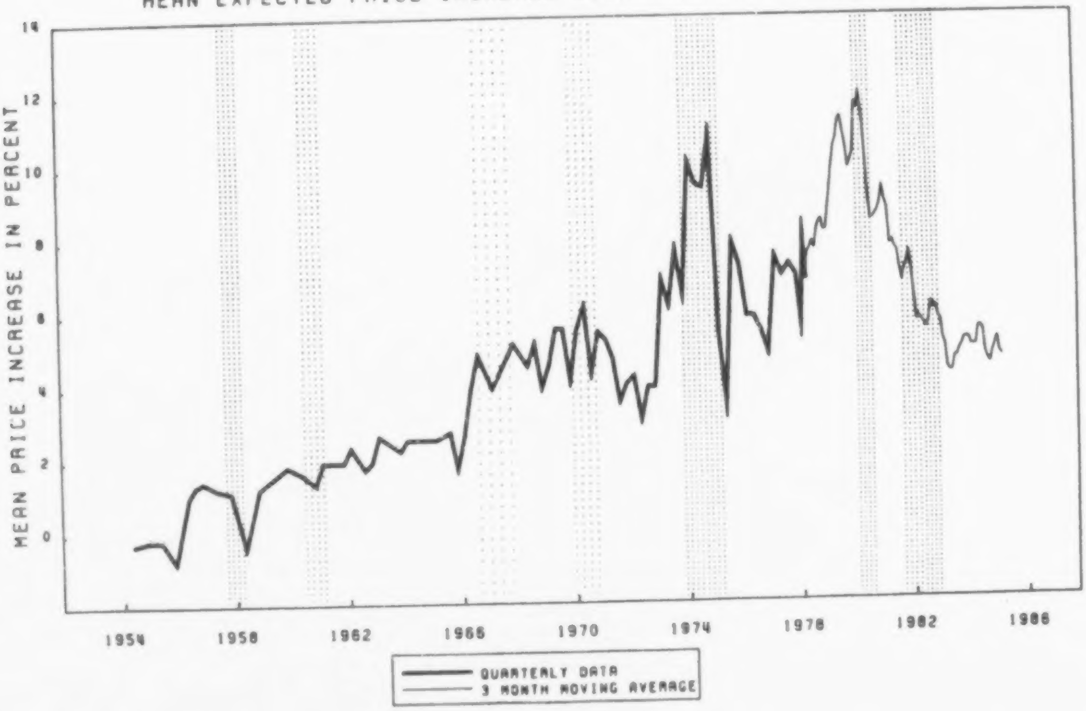


TABLE 23

EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
SAME OR DOWN	23%	24%	19%	19%	19%	23%	24%	24%	22%	23%	25%	26%	25%
WILL GO UP BY:													
1-2%	14	14	13	15	14	13	18	16	13	14	13	16	14
3-4%	19	16	17	15	16	17	15	19	15	17	17	20	19
5%	19	15	15	20	18	20	18	14	18	18	16	15	15
6-9%	6	10	12	11	11	8	6	8	9	6	9	6	6
10-14%	8	11	11	9	13	8	8	8	10	9	9	7	10
15% or more	6	5	8	6	4	5	5	4	7	7	5	4	6
DK how much up	4	4	3	4	4	3	5	4	4	4	4	4	4
DK,NA	1	1	2	1	1	3	1	3	2	2	2	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	5.1	5.1	5.9	5.3	4.8	4.5	4.6	4.2	5.3	5.1	4.8	4.1	4.8
VARIANCE	51	55	57	49	27	33	46	36	53	47	44	36	51
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

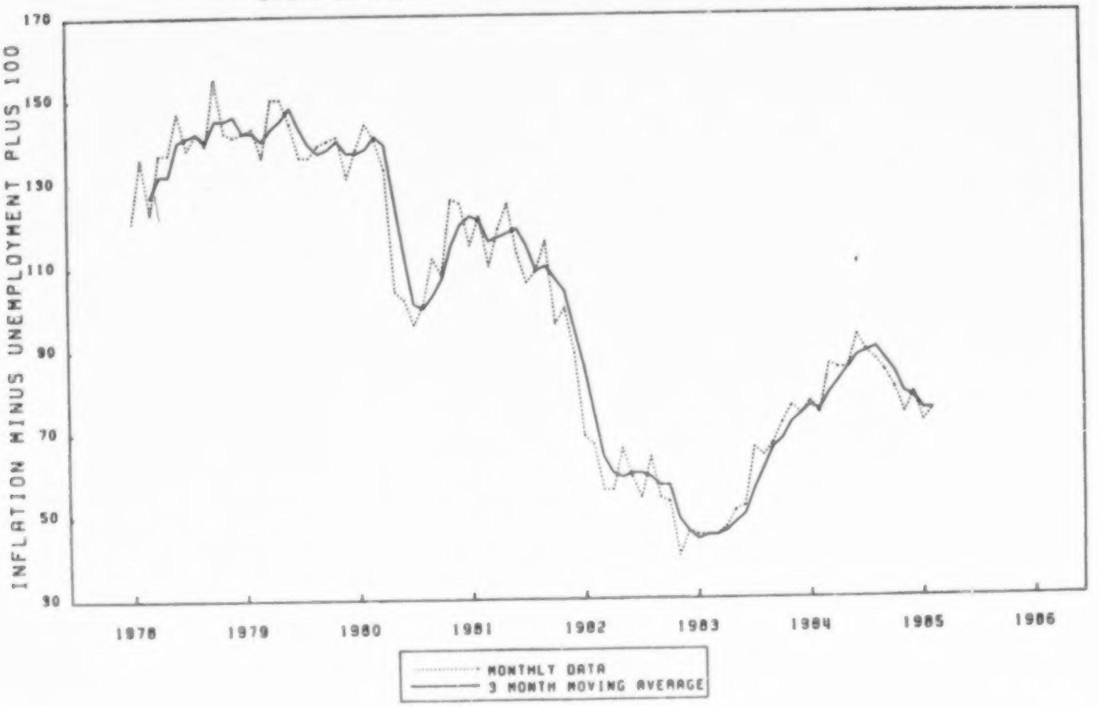


CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

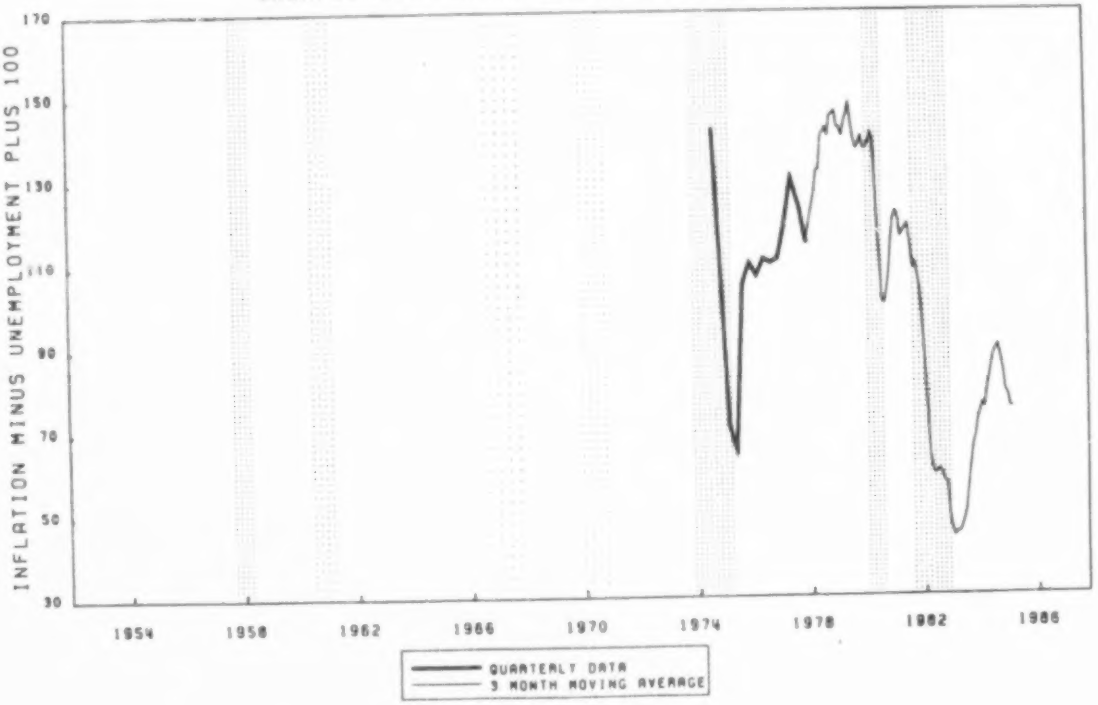


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

TABLE 24

UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
UNEMPLOYMENT	59%	52%	53%	54%	51%	51%	52%	54%	55%	59%	56%	60%	58%
BOTH EQUALLY SERIOUS	5	7	7	6	3	7	6	5	8	7	6	6	5
INFLATION	33	38	38	39	44	40	39	38	35	33	35	32	33
DK,NA	3	3	2	1	2	2	3	3	2	1	3	2	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

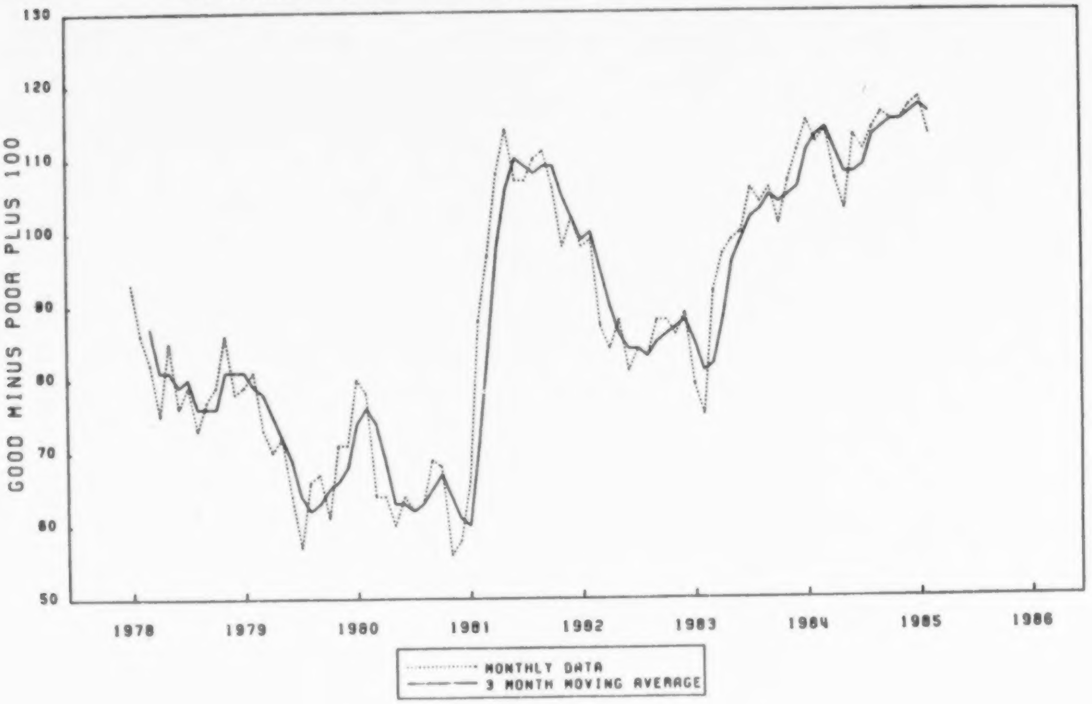


CHART 25 - HISTORICAL SERIES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

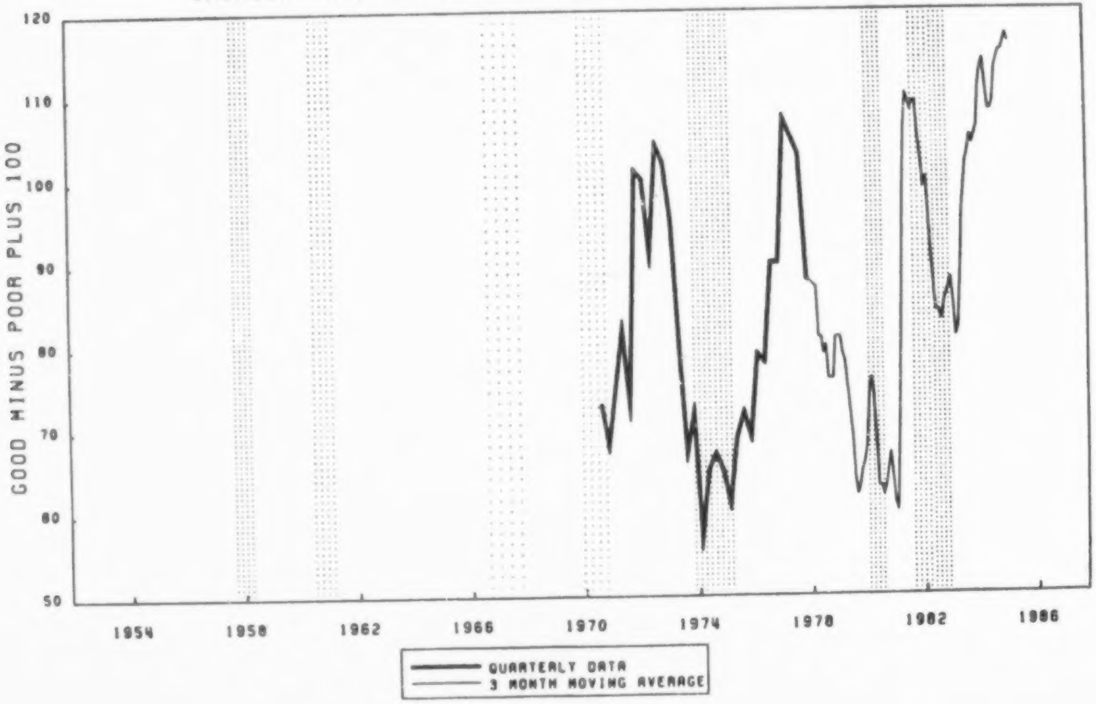


TABLE 25

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
A GOOD JOB	32%	33%	27%	25%	31%	30%	33%	35%	36%	32%	33%	34%	33%
ONLY FAIR	45	47	50	52	49	48	46	44	41	50	49	49	46
A POOR JOB	20	19	20	22	18	19	19	19	21	17	16	16	20
DK,NA	3	1	3	1	2	3	2	2	2	1	2	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

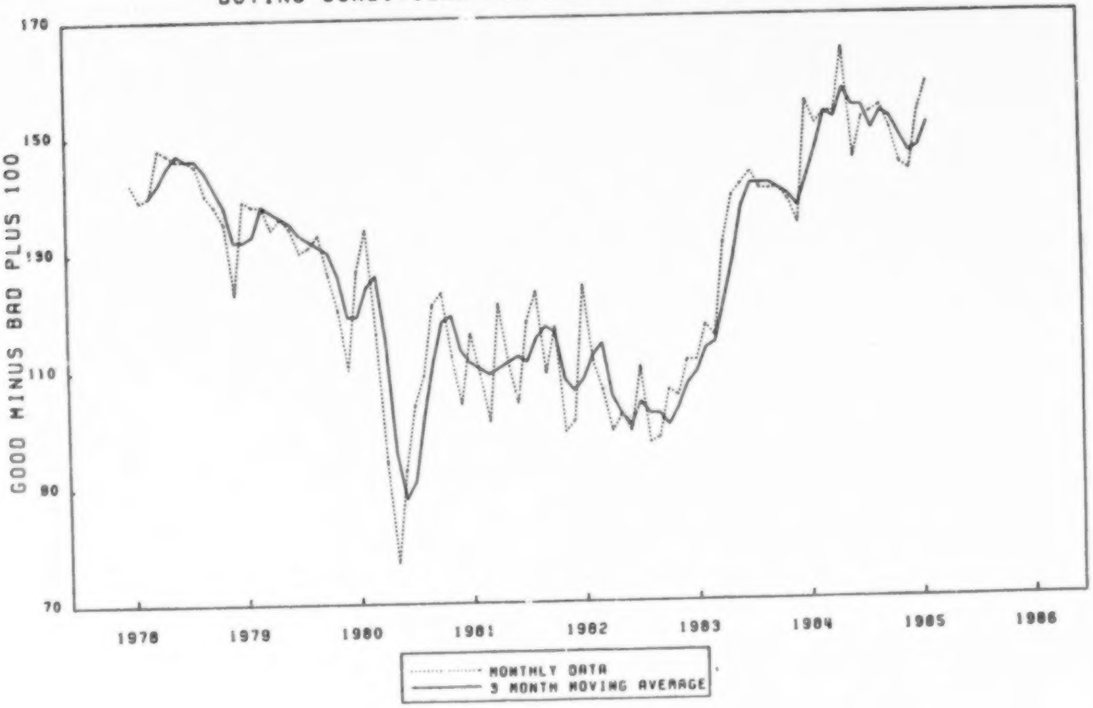


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

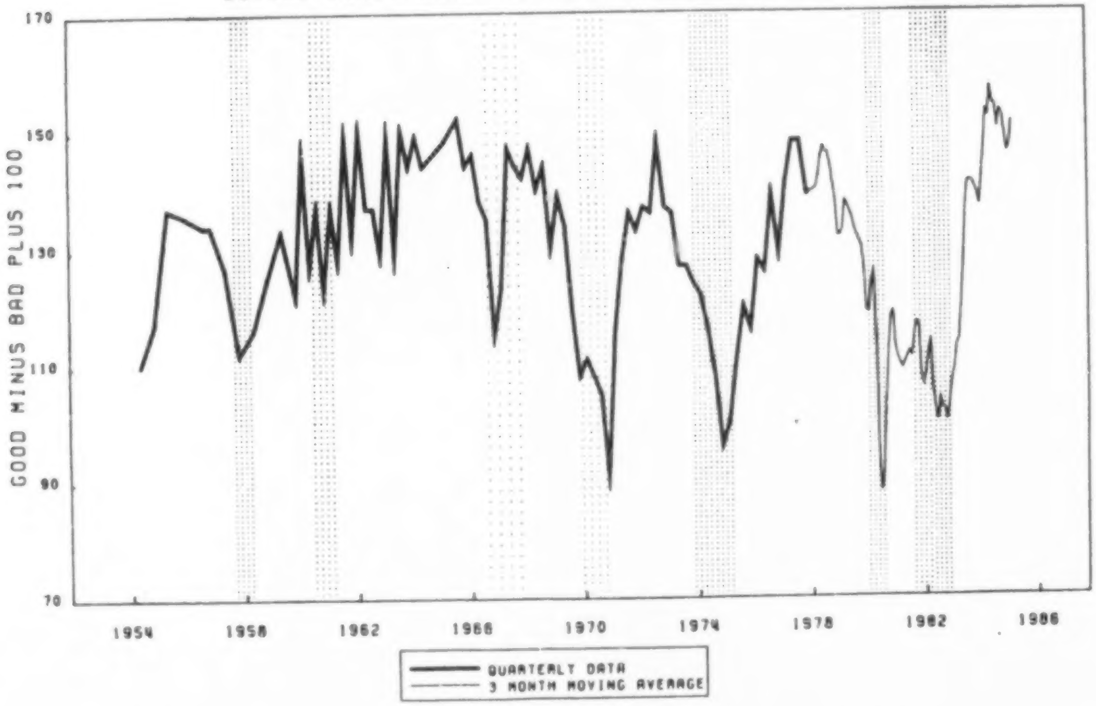


TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
GOOD TIME TO BUY	70%	72%	72%	77%	67%	71%	72%	72%	70%	67%	67%	73%	75%
UNCERTAIN, DEPENDS	11	9	9	10	11	10	9	10	10	10	9	7	8
BAD TIME TO BUY	19	19	19	13	22	19	19	18	20	23	24	20	17
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

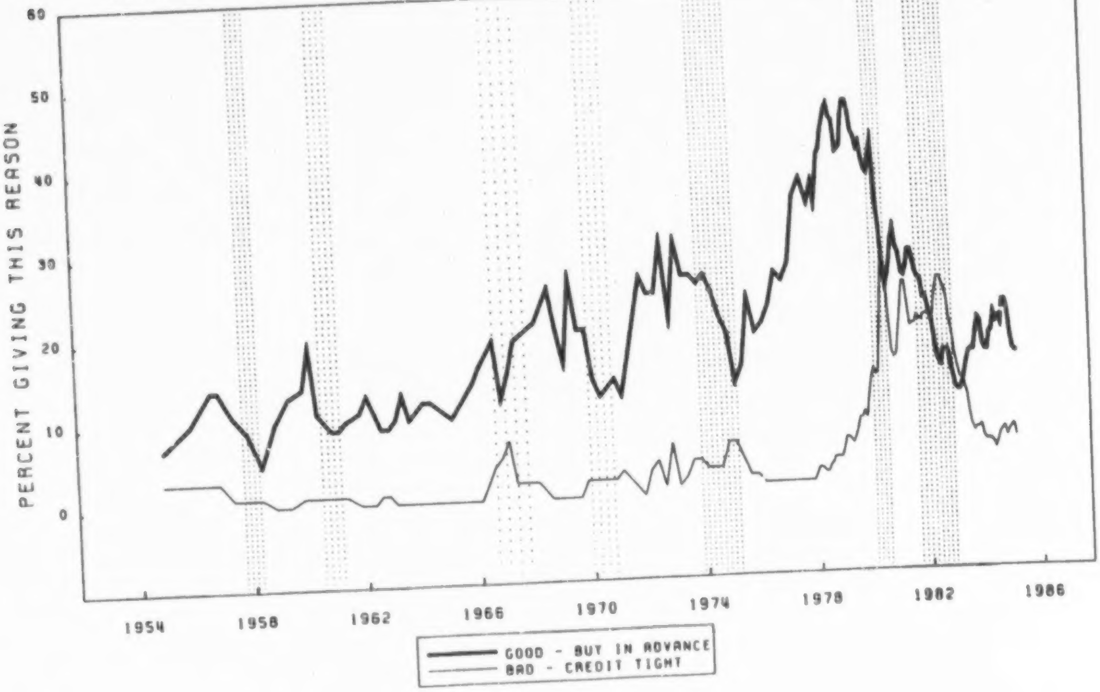


CHART 27B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

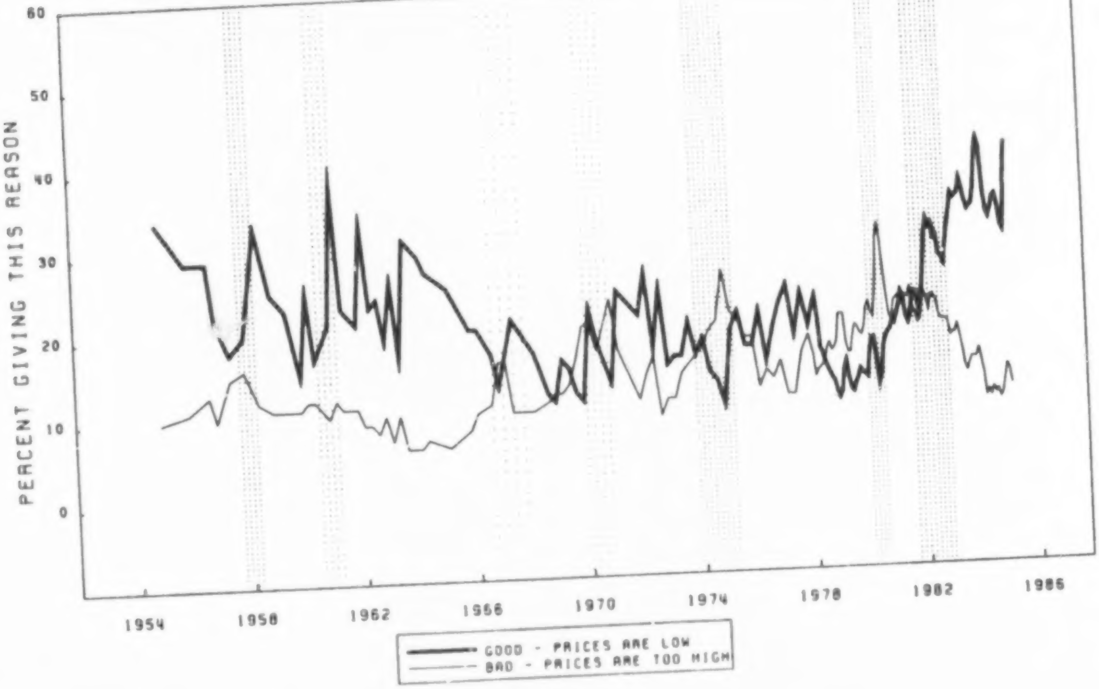


TABLE 27

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	39%	35%	30%	31%	33%	33%	35%	34%	29%	28%	32%	45%	43%
Prices won't come down; are going higher	16	19	20	22	16	21	20	24	21	17	15	16	16
Interest rates low; credit is easy	11	10	14	11	11	10	8	8	11	11	10	11	11
BAD TIME TO BUY:													
Prices are high	10	10	12	8	13	10	9	10	12	14	15	10	9
Interest rates are high; credit is tight	7	3	5	5	5	8	6	6	5	8	7	6	4
Lack of purchasing power	7	9	6	5	7	5	7	7	7	7	7	10	6

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

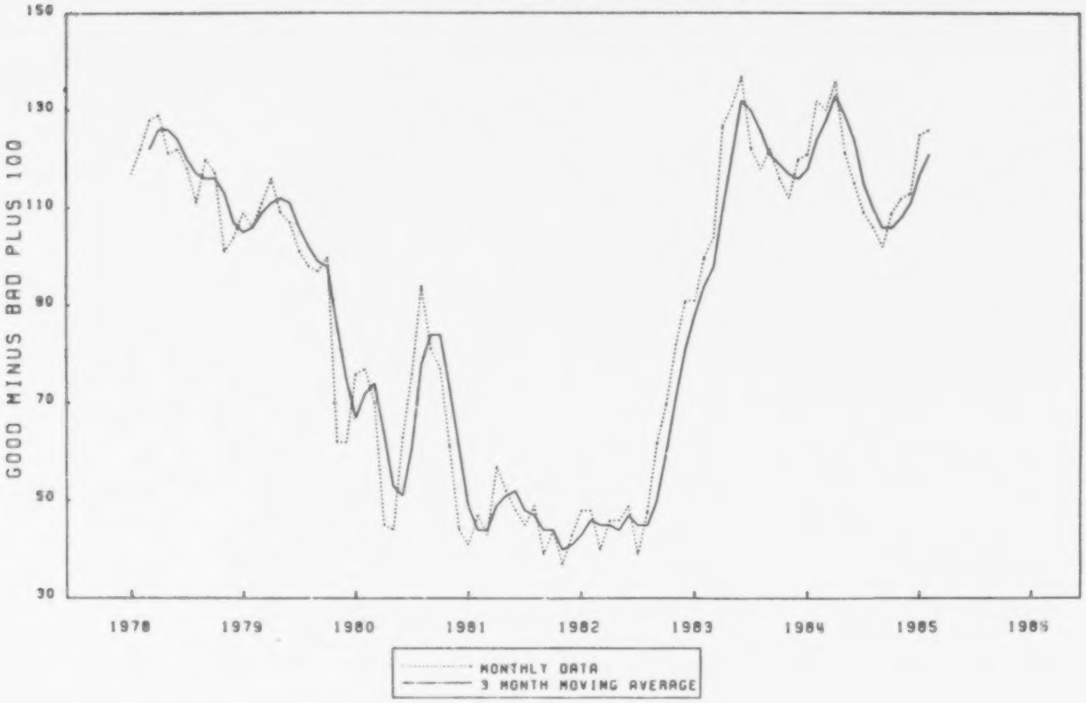


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

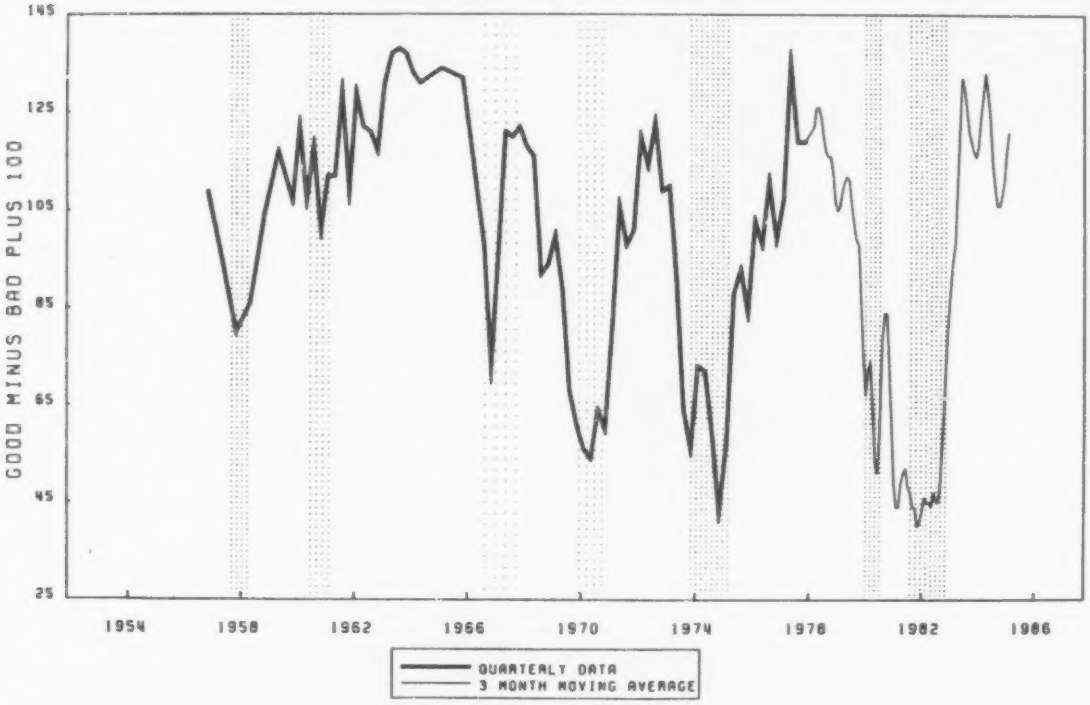


TABLE 28

BUYING CONDITIONS FOR HOUSES

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
GOOD TIME TO BUY	63%	62%	66%	58%	55%	52%	50%	48%	52%	54%	54%	61%	61%
UNCERTAIN, DEPENDS	6	6	4	5	5	5	6	6	5	4	5	3	4
BAD TIME TO BUY	31	32	30	37	40	43	44	46	43	42	41	36	35
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

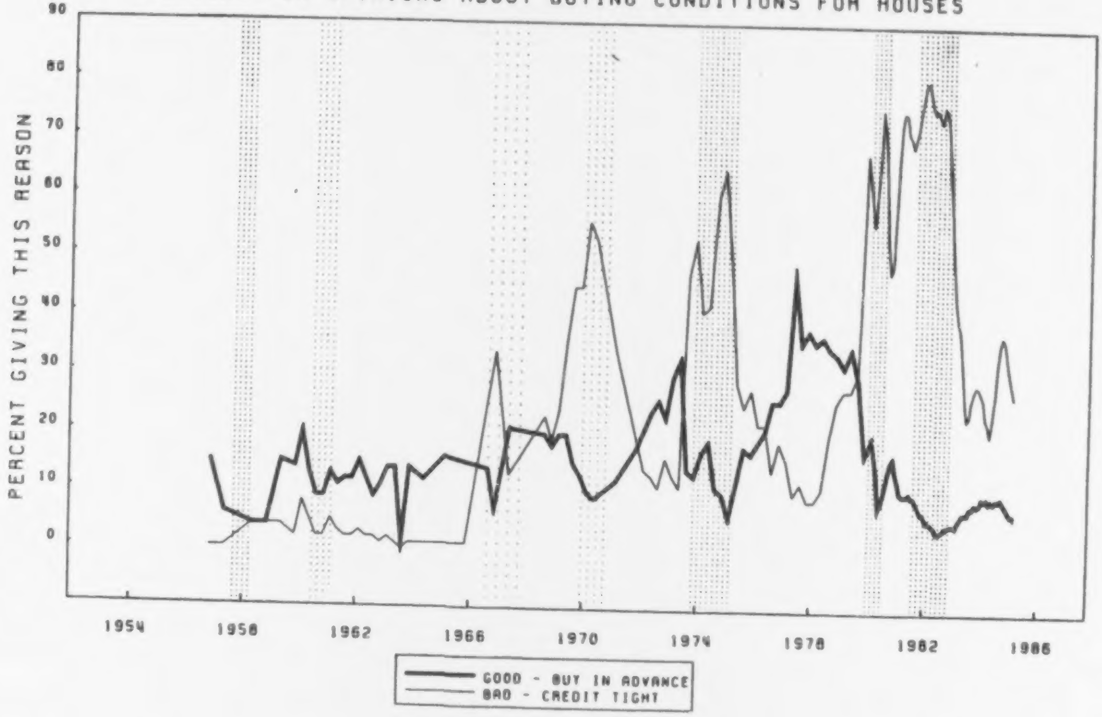


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

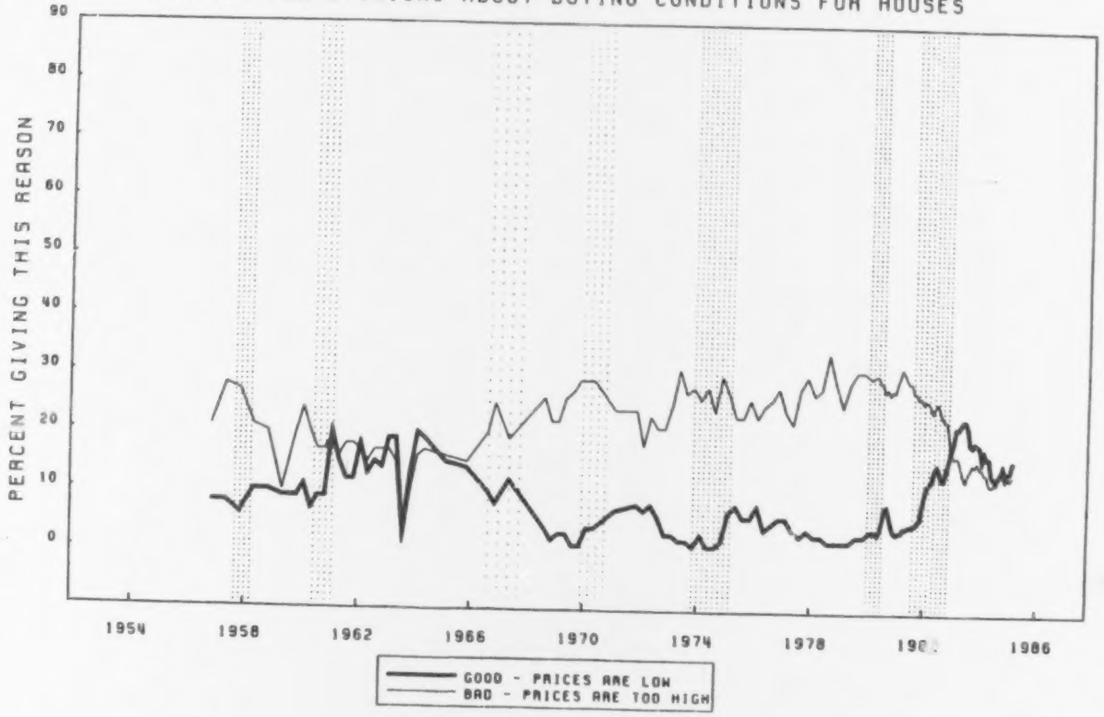


TABLE 29

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	20%	15%	15%	12%	13%	13%	15%	14%	15%	11%	17%	15%	16%
Prices won't come down; are going higher	8	10	10	9	9	11	9	10	9	7	8	7	7
Interest rates low; credit is easy	50	49	52	44	38	37	35	34	35	44	38	49	50
Good investment	6	8	6	5	8	5	4	7	5	7	5	6	6
BAD TIME TO BUY:													
Prices are high	13	13	11	12	14	12	16	16	16	12	13	14	14
Interest rates are high; credit is tight	20	22	20	29	33	36	40	37	33	31	30	27	25
Lack of purchasing power	10	11	10	12	10	11	11	11	10	13	13	12	11

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

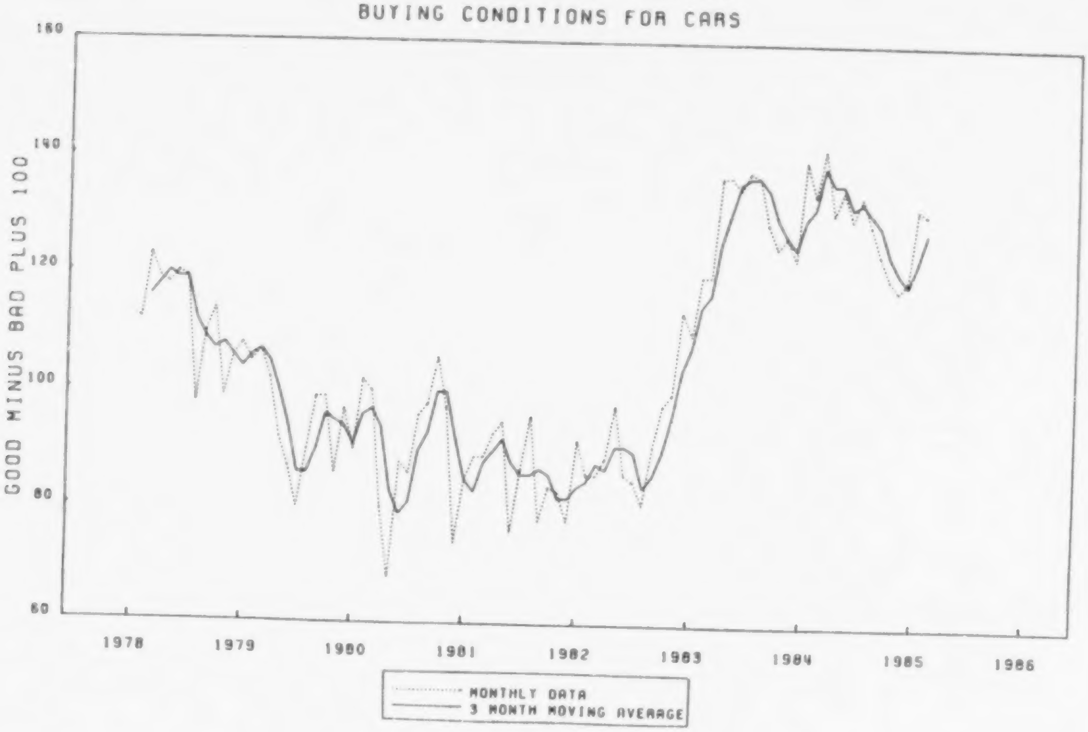


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

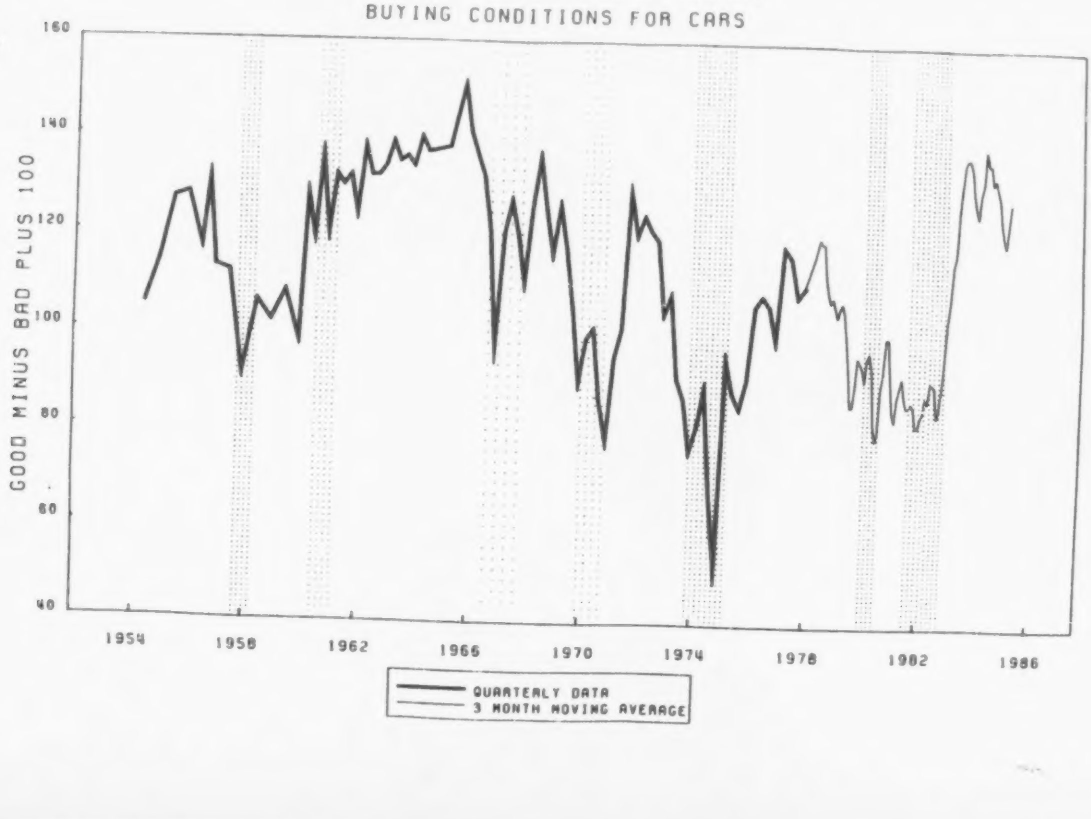


TABLE 30

BUYING CONDITIONS FOR CARS

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
GOOD TIME TO BUY	62%	66%	60%	63%	60%	62%	59%	59%	54%	55%	55%	62%	61%
UNCERTAIN; DEPENDS	10	10	11	9	10	10	11	6	12	8	10	8	9
BAD TIME TO BUY	28	24	29	28	30	28	30	35	34	37	35	30	30
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

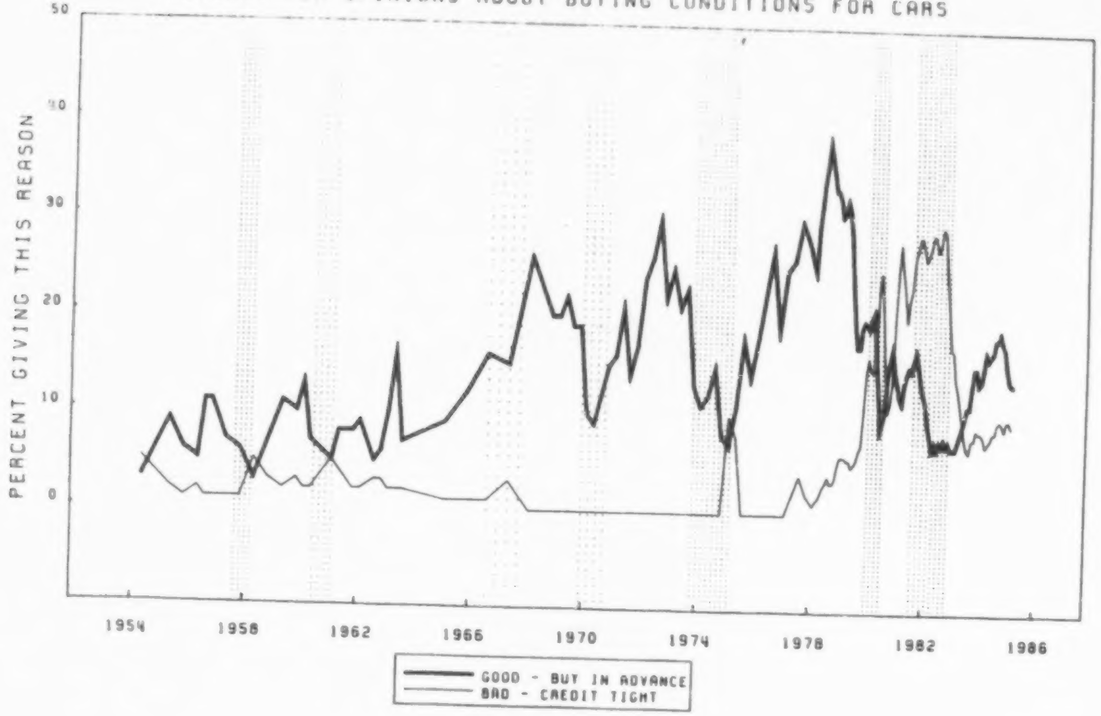


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

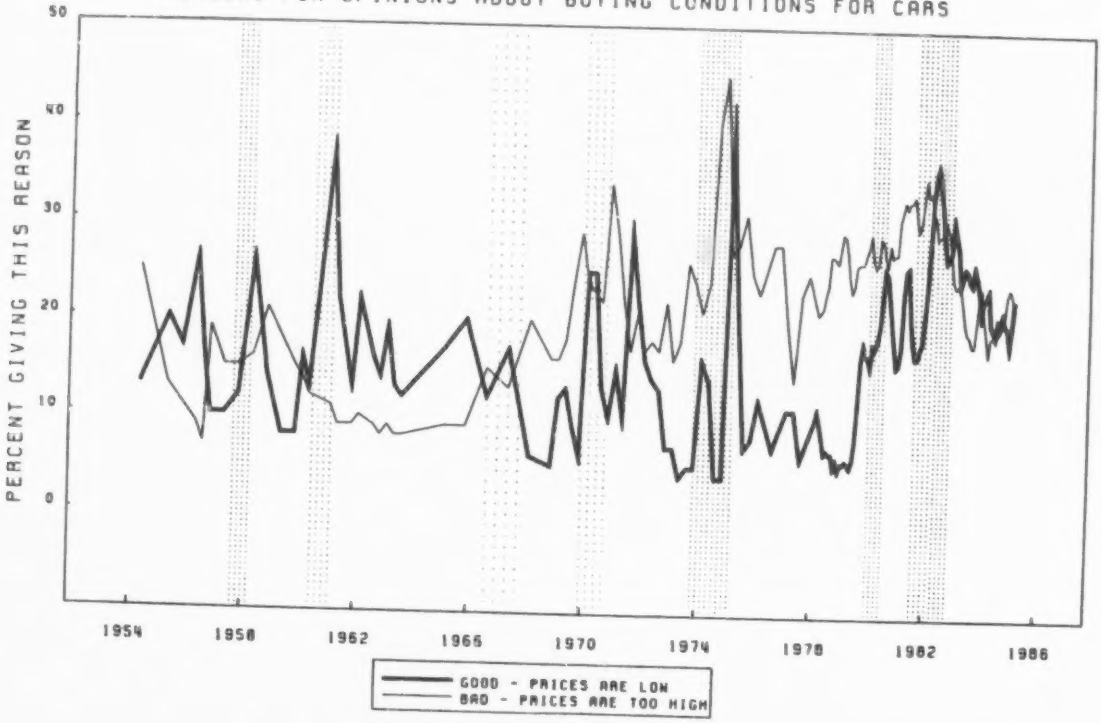


TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	22%	23%	16%	20%	21%	21%	19%	24%	18%	18%	18%	24%	26%
Prices won't come down; are going higher	16	17	16	17	18	20	17	20	17	15	14	13	14
Interest rates low; credit is easy	22	22	22	18	18	24	17	15	14	18	15	23	24
New fuel efficient models	2	1	1	3	1	1	2	1	2	*	2	*	1
BAD TIME TO BUY:													
Prices are high	18	17	22	18	20	20	19	22	23	25	24	21	21
Interest rates are high; credit is tight	8	6	9	9	8	9	12	9	8	10	12	8	8
Lack of purchasing power	5	5	4	5	4	4	5	6	6	8	7	7	6
Price of gas; shortages	*	1	*	*	*	*	1	*	*	*	*	*	*
Poor selection; quality	4	4	6	2	2	4	4	3	3	5	4	4	4

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

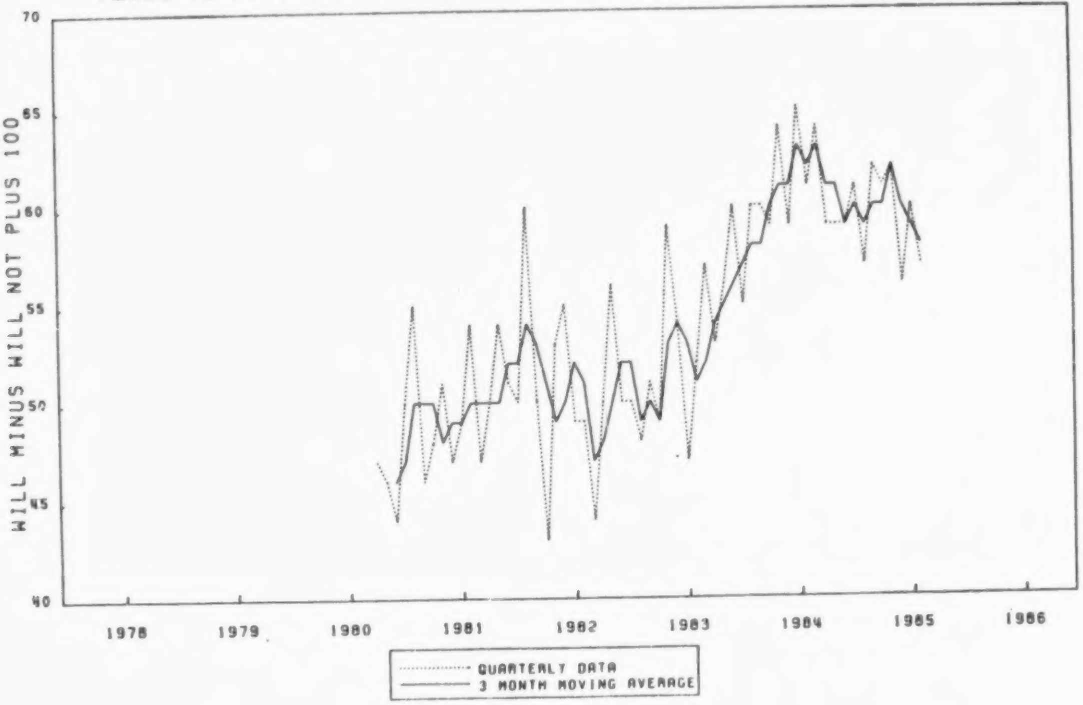


CHART 32 - HISTORICAL SERIES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

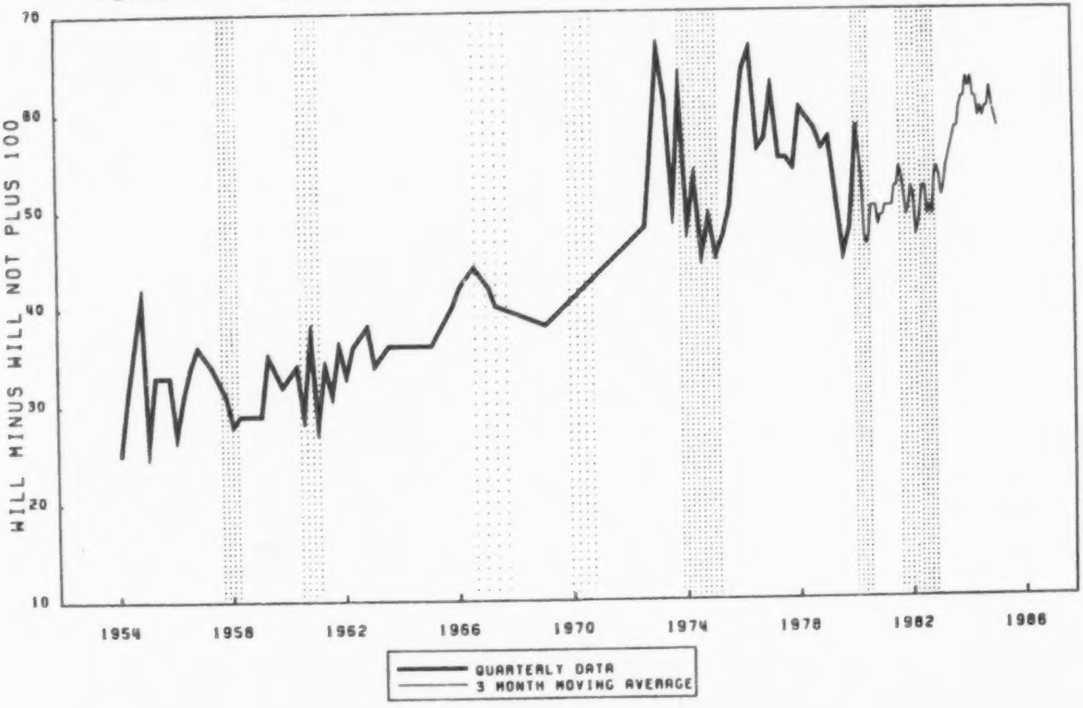


TABLE 32

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
PROBABLY WILL BUY	21%	22%	21%	19%	20%	20%	21%	22%	21%	21%	19%	20%	19%
CHANCES ARE EVEN	9	12	6	12	9	9	7	8	8	9	9	9	9
PROBABLY WILL NOT BUY	60	58	62	60	61	59	64	60	60	59	63	60	62
DK,NA	10	8	11	9	10	12	8	10	11	11	9	11	10
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	687	700	705	690	680	656	693	690	706	710	704	640	655

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
PROPORTION WITH CURRENT PURCHASE INTENTIONS:	30%	34%	27%	31%	29%	29%	28%	30%	29%	30%	28%	29%	28%
PURCHASE TYPE:													
Buy new	14	16	13	15	16	15	15	14	15	15	13	17	15
Buy used	13	17	12	14	11	12	11	13	12	13	13	11	11
Lease	2	1	1	2	1	2	1	2	2	1	1	1	1
DK,NA	1	*	1	*	1	*	1	1	*	1	1	*	1
PURCHASE TIMING:													
Next 3 months	3	2	7	3	2	7	3	1	6	5	3	5	4
Next 4-6 months	7	10	6	9	8	6	5	8	6	7	6	8	9
Next 7-9 months	8	8	6	7	9	3	4	5	7	7	10	7	8
10 months or more	5	8	4	6	4	7	8	10	4	8	7	5	4
DK,NA	7	6	4	6	6	6	8	6	6	3	2	4	3

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985
PROPORTION WITH FUTURE PURCHASE INTENTIONS:	60%	58%	62%	60%	61%	59%	64%	60%	60%	59%	63%	60%	62%
PURCHASE TYPE:													
Would buy new	32	32	34	33	36	35	33	34	31	33	34	35	32
Would buy used	26	25	27	26	24	22	29	25	27	25	28	25	28
DK,NA	2	1	1	1	1	2	2	1	2	1	1	*	2
PURCHASE TIMING:													
Less than 2 years	8	7	10	5	7	5	8	5	7	7	7	8	9
2 years	20	19	20	22	21	18	25	21	21	20	23	18	19
3 years	9	9	9	9	8	10	8	11	10	9	10	9	10
4 years or more	17	16	17	18	17	18	15	17	16	17	15	19	17
Indefinite	3	3	1	2	2	3	3	2	1	2	3	2	2
DK,NA	3	4	5	4	6	5	5	4	5	4	5	4	5

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

CHART 1 - RECENT CHANGES

THE INDEX OF CONSUMER SENTIMENT

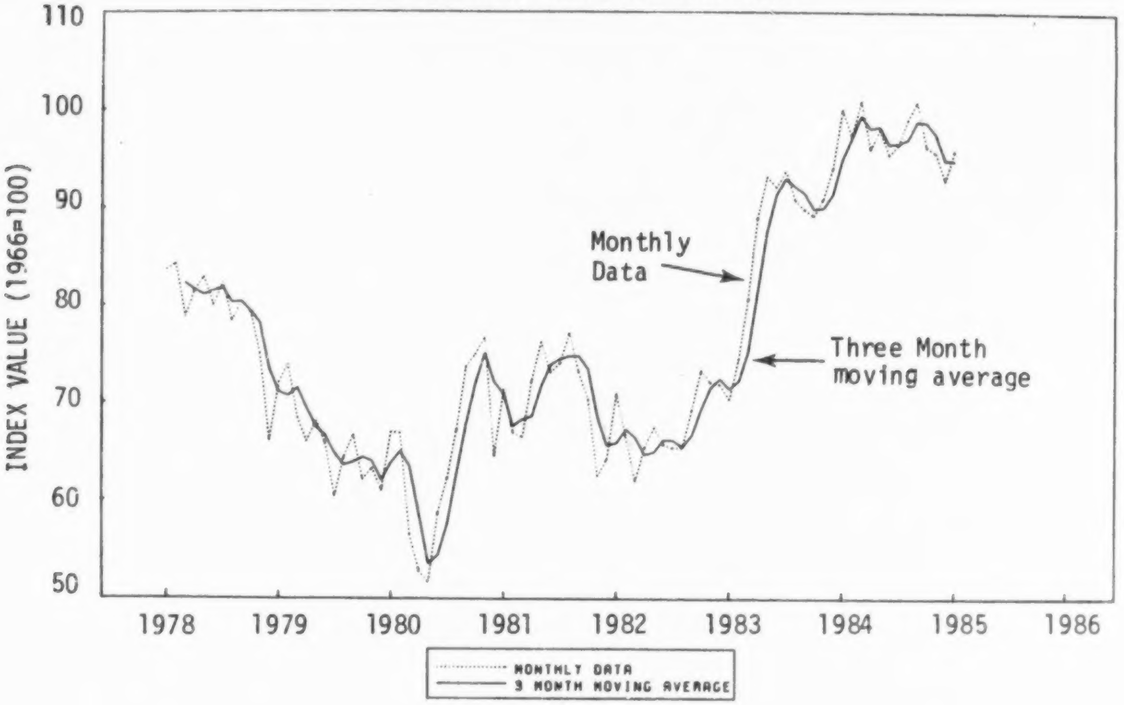
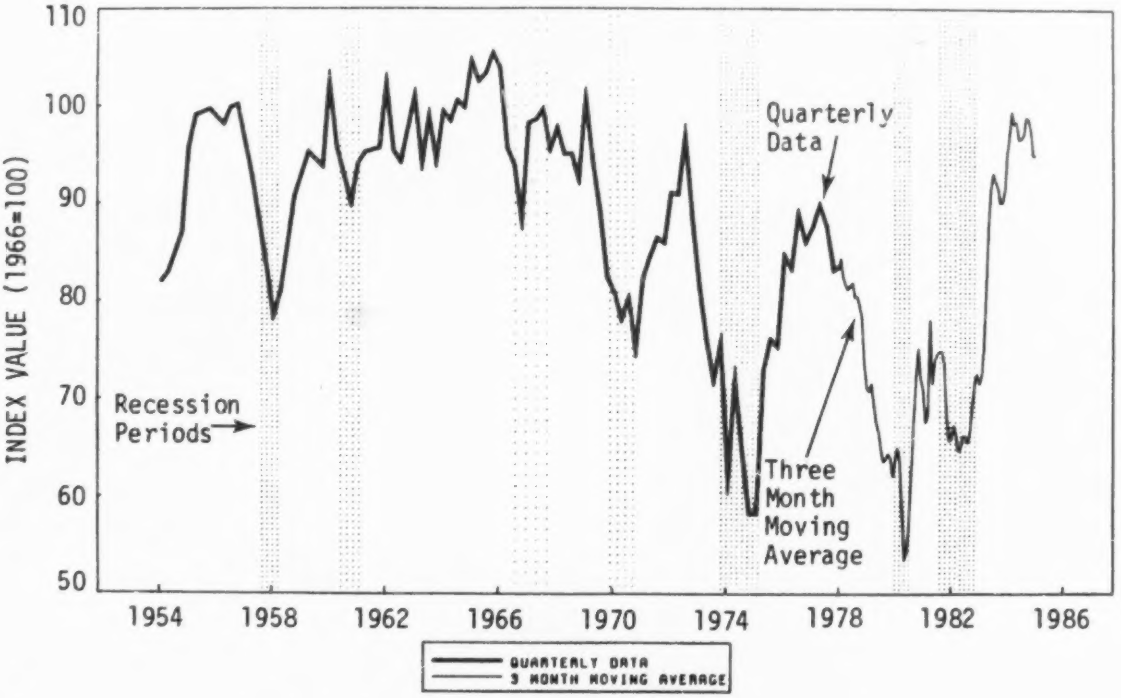


CHART 1 - HISTORICAL SERIES

THE INDEX OF CONSUMER SENTIMENT



DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES:
November 1948 - October 1949
July 1953 - May 1954
August 1957 - April 1958
April 1960 - February 1961
June 1966 - November 1967*
December 1969 - November 1970
November 1973 - March 1975
January 1980 - July 1980
July 1981 - November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

Reported Percentages	Number of Interviews		
	700[b]	1,400[c]	2,100[d]
50	4.2	3.2	2.8
30 or 70	3.8	2.9	2.5
20 or 80	3.4	2.6	2.2
10 or 90	2.5	1.9	1.6
5 or 95	1.8	1.4	1.2

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

U7475-2

March 8, 1985

FEBRUARY 1985 MONTHLY REPORT

Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

OPTIMISM MAINTAINED

- In the February 1985 survey, the Index of Consumer Sentiment was 93.7, between the 96.0 recorded one month earlier and 92.9 recorded two months earlier. Only small and insignificant changes were recorded in the February survey.

- Among all families with incomes of $25,000 or more, the Index rose to 107.4 in February 1985, from 106.7 in January and 100.1 in December.

- Favorable attitudes toward buying conditions for large household durables were held by 75 percent of all families in the February survey. In more than 30 years, only in the May 1984 survey was a higher proportion recorded--77 percent. The major factor underlying the resurgence of favorable buying attitudes has been the perceived availability of price discounts, reported by 43 percent of all families in February, just below the all-time record of 45 percent recorded in January 1985.

- Buying attitudes toward houses and vehicles remained at favorable levels, largely unchanged in the February survey from one month earlier. Recent declines in interest rates, as well as favorable perceptions of market prices, have led to improvements over late 1984.

- The financial situation of American families remained favorable in the February 1985 survey. Among all families, 42 percent reported improved finances, unchanged from January, and just below the 44 percent recorded one year earlier. Financial improvement during the year ahead was expected by 33 percent of all families, down from 35 percent in January and 41 percent one year earlier. Few families expected their financial situation to worsen during the year ahead--13 percent.

- Only minor shifts were recorded in the February survey in consumers' views toward the aggregate economy. Among all families, 60 percent reported the economy had improved during the past year, and 62 percent expected good times financially during the next 12 months. Interest rate, inflation, and unemployment expectations were also unchanged in the February survey from one month earlier.

* * *

These data indicate that consumer spending will be maintained at high levels through the balance of 1985.

Monitoring Economic Change Program
Institute for Social Research • P.O. Box 1248 • Ann Arbor, Michigan 48106-1248 • (313) 763-5224

Pattern of Change in Sentiment

Most periods of recovery in consumer sentiment mirror past cycles, at least in the structure if not in the extent of the change in attitudes. Only infrequently does a new underlying foundation emerge. The current recovery has been accompanied by a shift in the criteria used by consumers to judge the current and expected performance of the economy. Whether this shift in the structure of sentiment endures or is only temporary will depend on subsequent reinforcement. Nonetheless, the older sentiment patterns are now being held in abeyance, the precondition for the emergence of a new belief structure.

From the mid-1950s to the mid-1960s, income trends dominated consumer assessments of the economy. From the mid-1960s through the decade of the 1970s, inflation was the dominant yardstick. By the mid-1980s, interest rates became the most common basis on which assessments were made, and the primary source of uncertainty about the future course of the economy. To be sure, the problem of inflation is not viewed by the public as having been resolved, but the remission is expected to continue. Little credence is given to the once common scenario of a stagnant economy and declining living standards. And little credence is given to predictions of uninterrupted growth during the decade ahead. That the economy will experience periods of both growth and recession in the future is not in question. Rather, we have experienced a change in how people assess ongoing economic developments.

When asked about their future financial prospects, three factors have dominated consumer evaluations, at one time or another, during the past several decades: employment prospects, wage trends, and trends in the cost of living. During the past few years, the rate of increase in both wages and prices have moderated to a substantial extent, while unemployment has remained at relatively high levels. As a result, job prospects now constitute the most important source of uncertainty about financial prospects for individual families. And because of smaller expected increases in wages and prices, the real burden of future debt repayments, as well as the real return to savings, is now more dependent on trends in market rates of interest.

Moreover, this shift from an economy characterized by inflation to one with high and variable interest rates has also influenced purchase timing decisions. Borrowing-in-advance of rising interest rates rather than buying-in-advance of rising prices has emerged as one means of adapting old responses to new situations. The pace and breadth of the housing boom of the late 1970s was propelled by expected future price increases. In that environment, sharp rises in housing prices only reinforced the appeal of advance buying. At that time, purchase timing was dominated by price expectations. At the current time, purchase timing has become more sensitive to trends in interest rates. Although reactions to rising interest rates and tight credit conditions have repeatedly caused declines during past cycles, only since 1980 have interest rate declines greatly stimulated favorable buying attitudes, and expected interest rate increases stimulated borrowing-in-advance rationales.

The recent data indicate that consumer spending will be maintained at its improved level through late 1985. But unlike the later stages of past expansion periods, when the unrelenting pressure of rising prices promoted advance buying, buying attitudes have become increasingly dependent on the availability of price discounts. As a result, greater resistance to price increases can be expected, as well as an increased focus on comparative price shopping. Buying behavior has thus become more responsive to pricing policies of individual sellers rather than to aggregate price trends.

Just as the recent recovery was marked by a distinctive pattern of change, so too will the period of decline. In past cycles, the later stages of expansion and the early stages of decline were shaped by accelerating inflation. Although escalating inflation squeezed family budgets, it also promoted more aggressive buying. This dual reaction tended to extend and exaggerate cyclical swings in the economy. In the present environment, a recession is unlikely to be accompanied by a comparable resurgence in inflation. Rather than the widespread frustration and resentment caused by inflation, personal financial attitudes are likely to show much less deterioration. And rather than reacting to price increases with increased buying, the more traditional reaction to price increases--postponement--will dampen aggregate swings. Moreover, the new low inflation environment will limit increases in interest rates, and limit the duration of interest rate swings. In this environment, a shorter, shallower pattern of decline can be expected.

U 7475-2A

SURVEYS OF CONSUMER ATTITUDES

TABLES AND CHARTS

MARCH 1985

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

TABLES AND CHARTS

MARCH 1985

The March 1985 survey is the 198th in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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CHART I - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

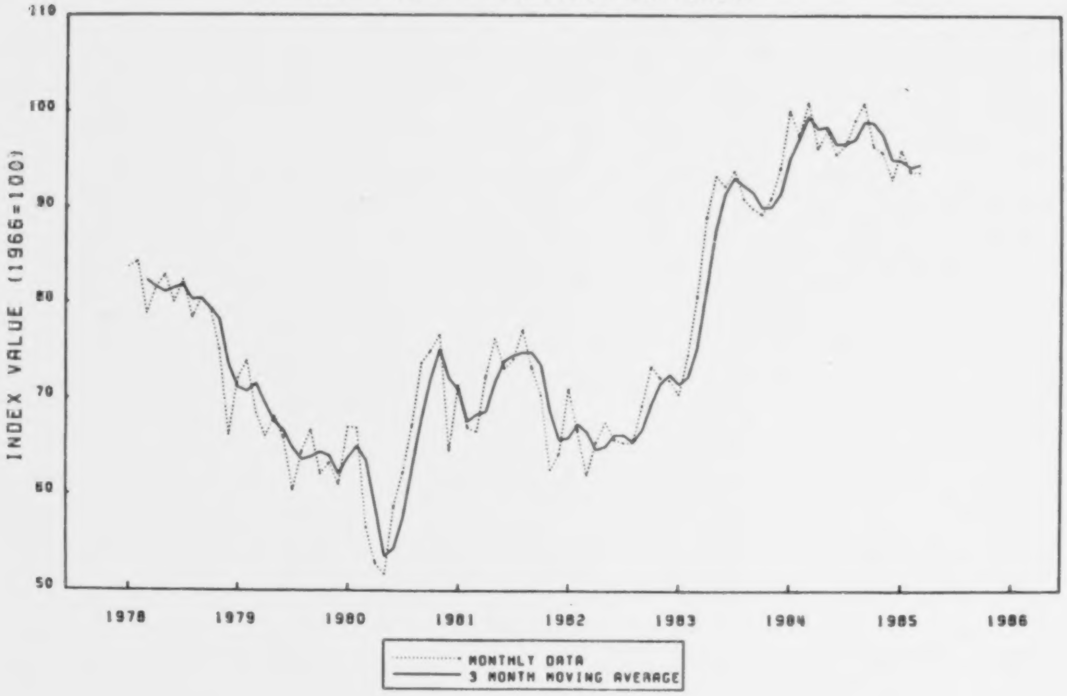


CHART I - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

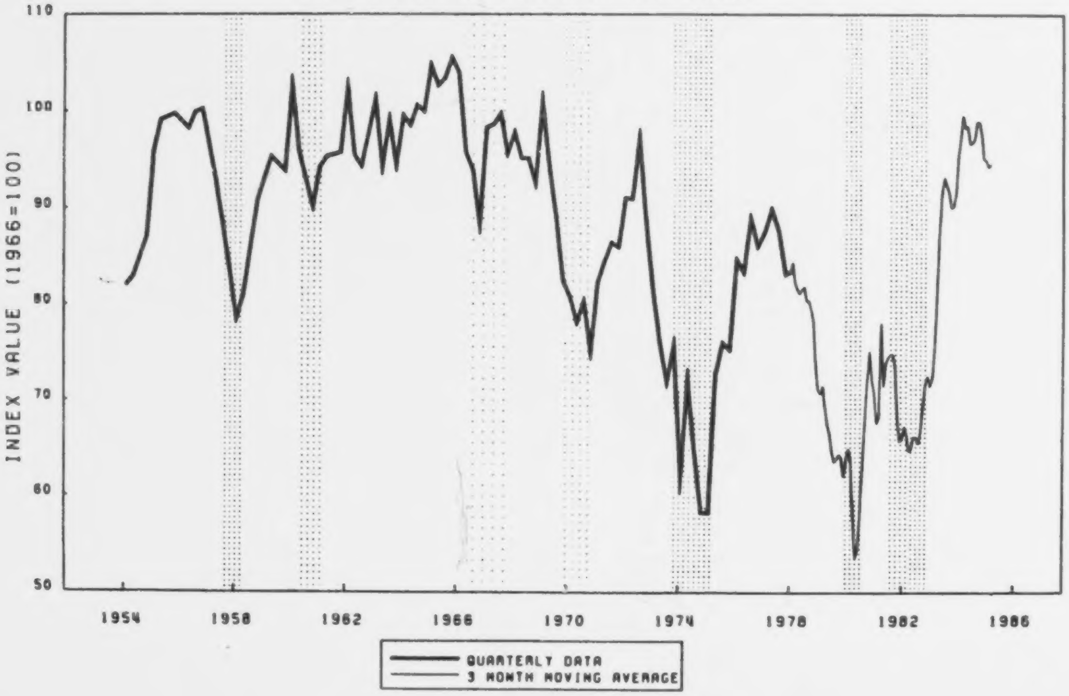


TABLE 1

THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY		All families	Families with incomes over $20,000	Families with incomes over $25,000
March	1982	62.0	67.0	67.9
April	1982	65.5	71.5	73.2
May	1982	67.5	72.7	74.8
June	1982	65.7	71.4	72.9
July	1982	65.4	68.9	69.2
August	1982	65.4	71.0	73.6
September	1982	69.3	78.4	81.1
October	1982	73.4	77.5	80.9
November	1982	72.1	79.3	81.1
December	1982	71.9	78.0	80.5
January	1983	70.4	78.2	78.8
February	1983	74.6	79.9	81.3
March	1983	80.8	88.4	88.9
April	1983	89.1	97.1	99.0
May	1983	93.3	99.6	101.0
June	1983	92.2	101.2	102.5
July	1983	93.9	104.4	106.5
August	1983	90.9	101.2	103.5
September	1983	89.9	99.0	102.3
October	1983	89.3	99.5	101.9
November	1983	91.1	97.2	98.8
December	1983	94.2	101.7	104.5
January	1984	100.1	112.0	114.2
February	1984	97.4	109.6	111.2
March	1984	101.0	110.9	114.2
April	1984	96.1	103.9	105.5
May	1984	98.1	105.6	107.1
June	1984	95.5	104.4	104.5
July	1984	96.6	103.2	102.8
August	1984	99.1	106.7	109.2
September	1984	100.9	109.7	111.7
October	1984	96.3	106.2	107.7
November	1984	95.7	108.6	111.0
December	1984	92.9	99.2	100.1
January	1985	96.0	104.1	106.7
February	1985	93.7	105.4	107.4
March	1985	93.7	106.5	108.8

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

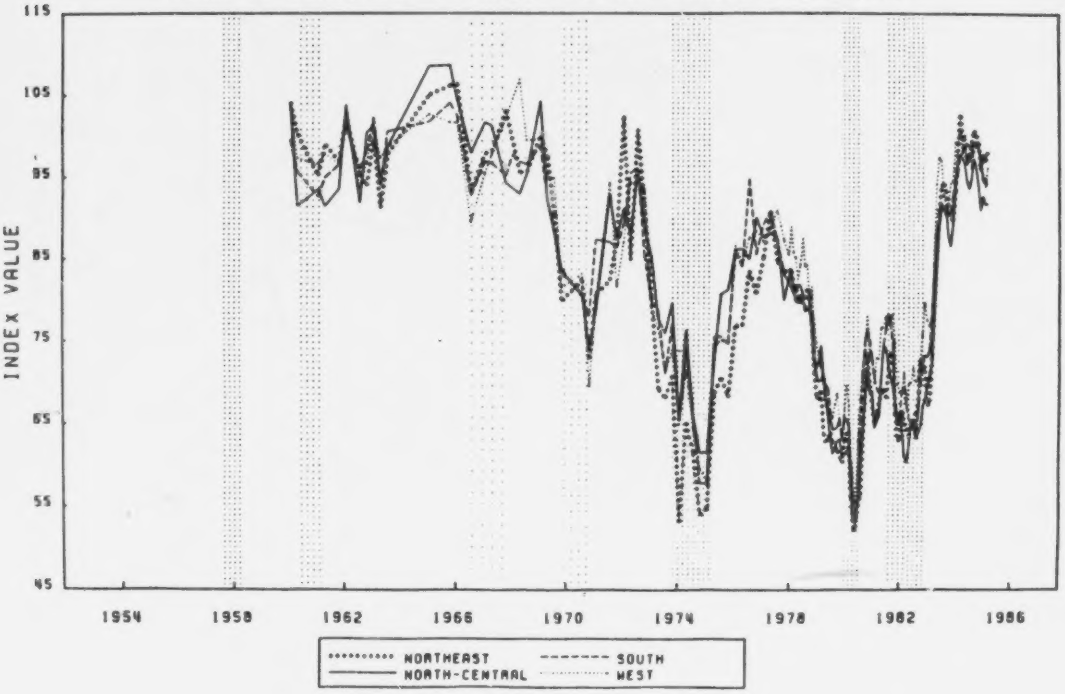


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

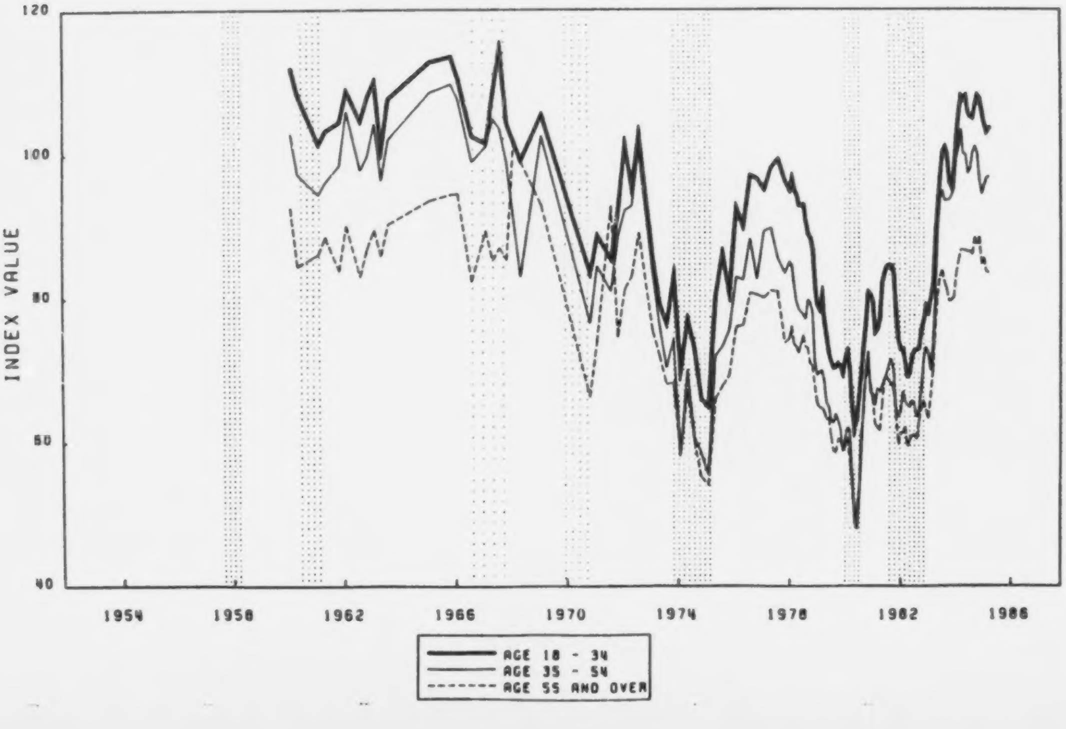


TABLE 2

INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

	CENSUS REGION				AGE OF RESPONDENT		
DATE OF SURVEY	North East	North Central	South	West	18-34	35-54	55+
March 1982	60.5	55.8	64.7	68.2	65.5	61.4	58.8
April 1982	67.2	64.6	65.0	65.8	70.6	65.5	60.4
May 1982	62.4	66.5	66.6	75.7	72.7	67.6	62.0
June 1982	65.4	65.0	64.9	68.6	72.4	64.4	60.3
July 1982	65.1	64.0	63.5	71.1	73.4	63.3	60.6
August 1982	68.1	60.6	64.0	70.6	72.6	62.9	60.2
September 1982	70.3	67.2	71.1	68.8	73.0	66.7	68.0
October 1982	77.8	66.2	74.1	79.3	81.2	72.1	65.5
November 1982	70.6	67.9	73.2	79.3	76.6	75.7	63.8
December 1982	66.1	70.0	72.5	80.4	78.9	71.7	64.2
January 1983	64.9	70.5	73.6	72.8	78.8	70.0	62.0
February 1983	72.1	72.3	75.8	77.2	82.1	68.3	72.4
March 1983	82.9	73.7	82.7	84.4	84.9	81.5	75.5
April 1983	89.1	88.0	87.2	95.6	95.8	90.5	80.5
May 1983	88.3	90.7	93.3	102.7	97.2	97.1	84.9
June 1983	95.1	88.7	92.5	94.1	97.8	94.4	83.9
July 1983	98.3	93.8	89.9	94.3	106.0	93.6	83.0
August 1983	89.6	92.0	91.3	89.6	99.2	92.9	80.0
September 1983	92.6	87.8	89.3	90.8	94.8	94.5	80.9
October 1983	89.9	83.7	91.5	93.5	94.2	93.8	77.8
November 1983	87.7	88.3	91.5	98.5	97.2	94.6	80.7
December 1983	91.4	96.2	95.2	92.2	102.3	97.5	81.8
January 1984	100.7	96.8	97.5	107.5	107.9	106.0	87.4
February 1984	102.3	98.4	93.5	97.1	106.2	98.9	86.5
March 1984	104.8	98.5	102.1	97.5	109.9	105.2	86.6
April 1984	92.5	95.3	98.2	99.3	106.5	95.9	87.0
May 1984	98.8	96.3	96.5	103.9	107.5	98.8	86.6
June 1984	100.1	92.1	95.0	93.7	103.0	97.1	85.9
July 1984	94.3	92.5	100.5	99.3	104.9	98.2	87.1
August 1984	103.1	100.2	97.5	95.4	106.8	105.3	85.2
September 1984	105.0	99.3	99.7	99.9	108.5	99.9	93.3
October 1984	92.5	89.4	100.9	101.7	108.9	95.5	84.2
November 1984	100.3	93.3	95.6	94.1	105.5	94.0	88.1
December 1984	94.8	90.3	93.4	94.0	102.9	94.1	82.2
January 1985	98.2	94.5	94.6	97.8	104.2	99.0	86.6
February 1985	97.9	90.4	96.6	89.7	102.0	97.0	82.3
March 1985	98.3	90.6	89.8	101.1	104.7	94.7	82.0

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

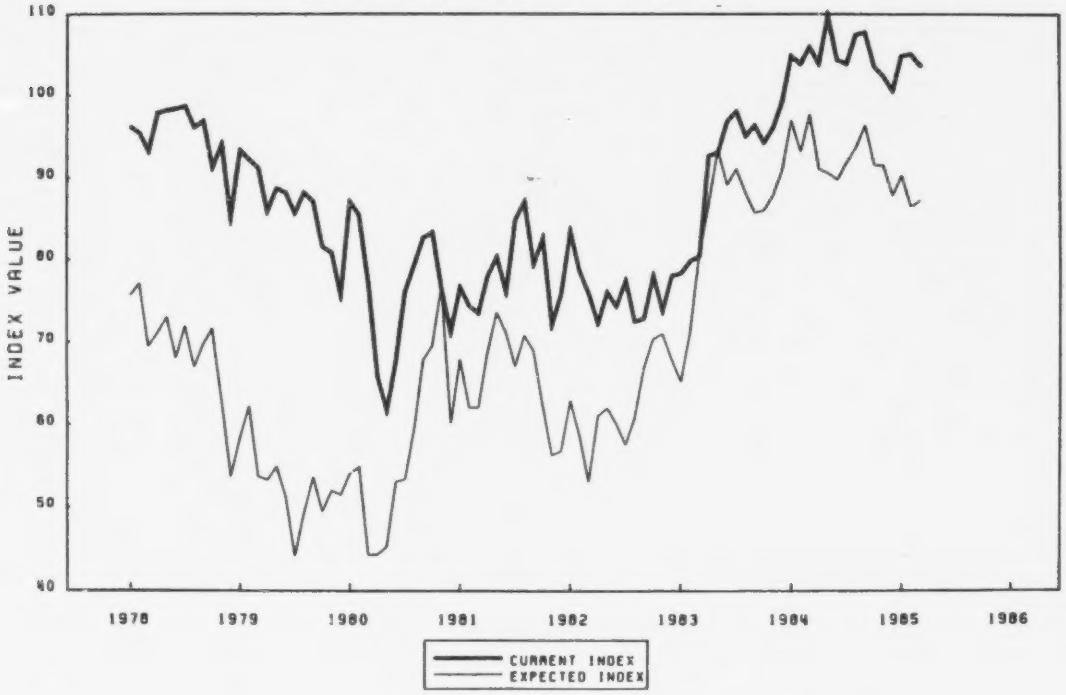


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS

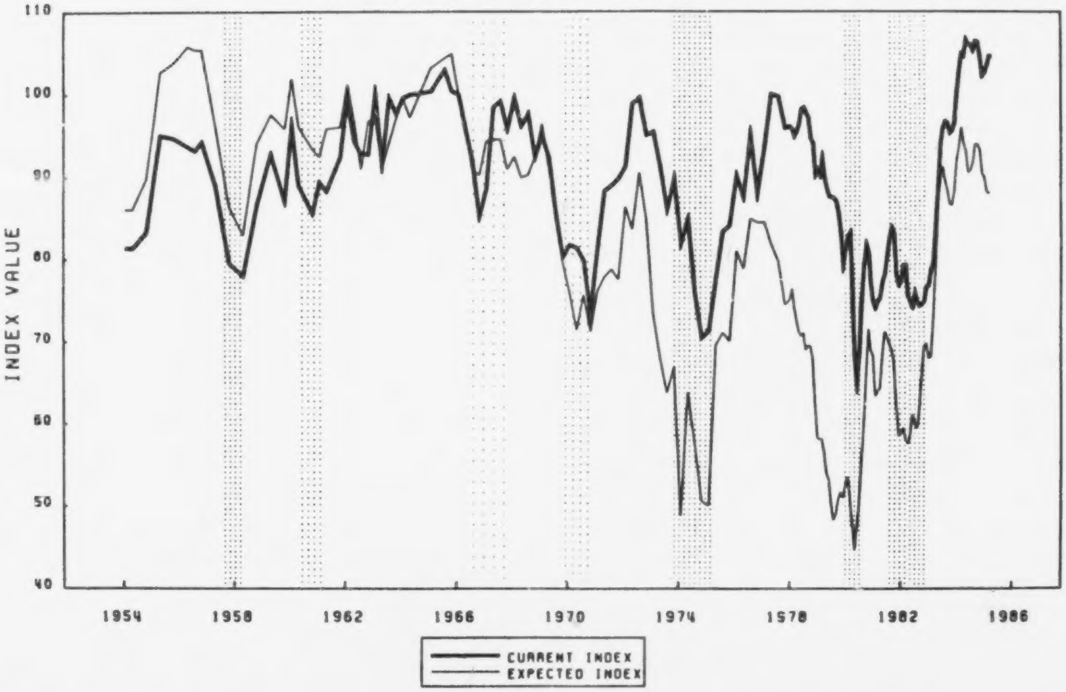


TABLE 3

COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY		INDEX COMPONENTS + Personal finances Current (1)	 Personal finances Expected (2)	 Business conditions 12 months (3)	 Business conditions 5 years (4)	 Buying conds. (5)	Current Index (1,5)	Expected Index (2,3,4)
March	1982	89	106	44	60	106	75.9	53.1
April	1982	87	111	62	70	99	72.3	61.1
May	1982	94	113	62	72	102	76.1	62.0
June	1982	92	116	58	65	99	74.3	60.1
July	1982	90	113	53	63	110	77.5	57.6
August	1982	89	110	64	69	97	72.5	60.9
September	1982	89	116	76	74	98	72.9	66.9
October	1982	95	119	79	83	106	78.1	70.4
November	1982	85	121	77	86	105	73.8	71.0
December	1982	90	117	74	80	111	78.1	67.9
January	1983	91	115	76	69	111	78.4	65.2
February	1983	89	117	87	81	117	79.9	71.2
March	1983	92	126	113	85	115	80.5	80.9
April	1983	108	131	120	99	131	92.7	86.9
May	1983	101	137	139	100	139	93.1	93.4
June	1983	110	128	134	97	141	96.9	89.2
July	1983	111	126	136	104	143	98.1	91.1
August	1983	106	124	130	100	140	95.1	88.2
September	1983	109	125	125	95	140	96.4	85.8
October	1983	104	124	124	98	140	94.3	86.1
November	1983	111	127	129	98	138	96.1	87.9
December	1983	123	125	140	102	134	99.3	91.0
January	1984	117	129	154	108	155	104.9	97.0
February	1984	119	130	139	106	151	103.9	93.2
March	1984	122	135	146	113	153	106.0	97.7
April	1984	117	124	136	106	153	103.9	91.1
May	1984	121	129	131	105	164	109.8	90.6
June	1984	126	124	131	106	145	104.4	89.8
July	1984	117	124	133	113	152	103.9	91.9
August	1984	125	129	137	111	153	107.5	93.7
September	1984	125	131	142	116	154	107.8	96.4
October	1984	118	127	134	107	150	103.6	91.6
November	1984	121	129	132	107	144	102.4	91.5
December	1984	118	125	131	98	143	100.6	87.9
January	1985	119	124	135	104	153	104.9	90.3
February	1985	115	120	131	96	158	105.1	86.5
March	1985	112	123	133	96	156	103.7	87.3

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES"

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

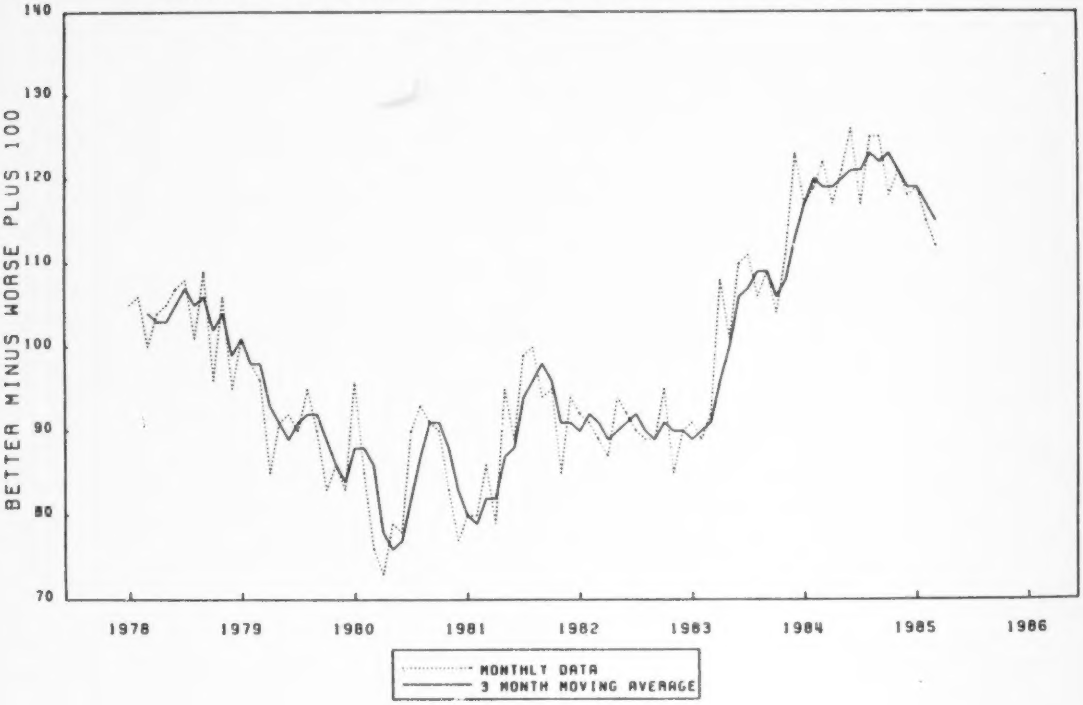


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

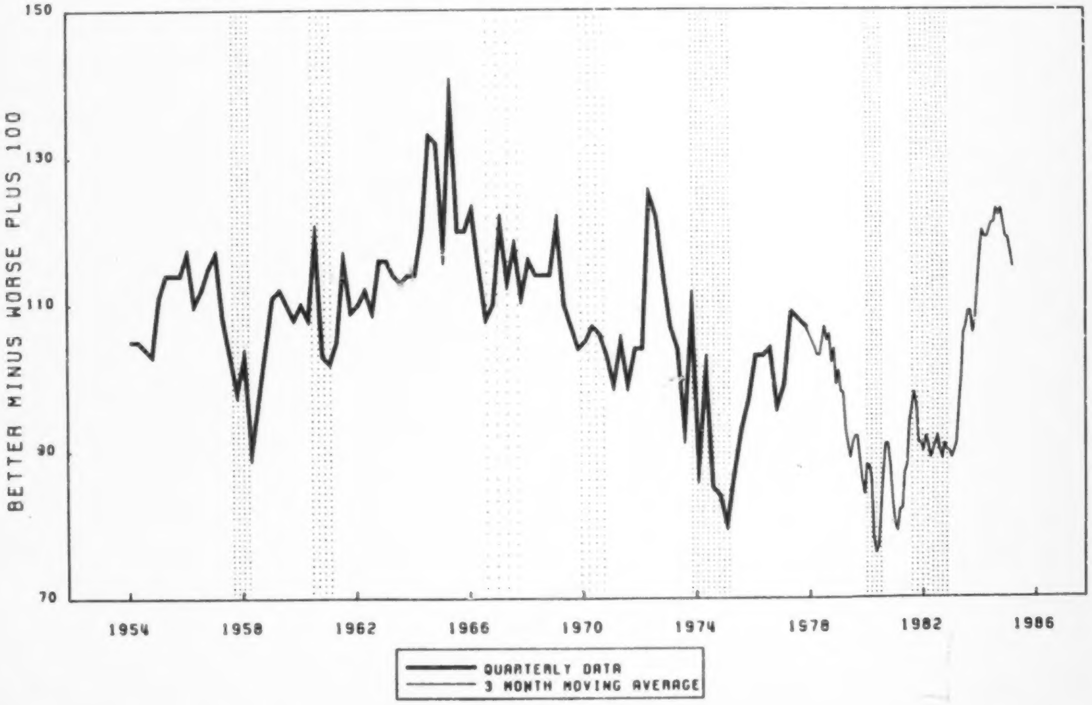


TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
BETTER OFF	48%	43%	44%	47%	42%	48%	45%	44%	46%	44%	42%	42%	40%
SAME	26	30	33	31	33	29	35	30	29	30	35	31	32
WORSE OFF	26	26	23	21	25	23	20	26	25	26	23	27	28
DK,NA	*	1	*	1	*	*	*	*	*	*	*	*	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

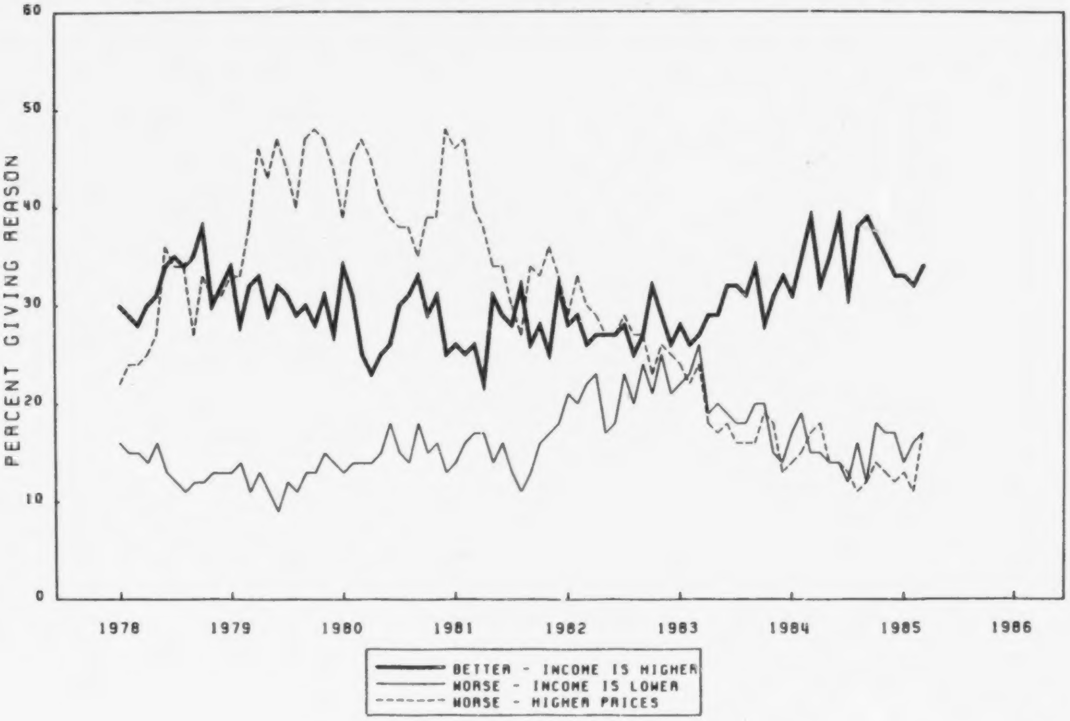


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

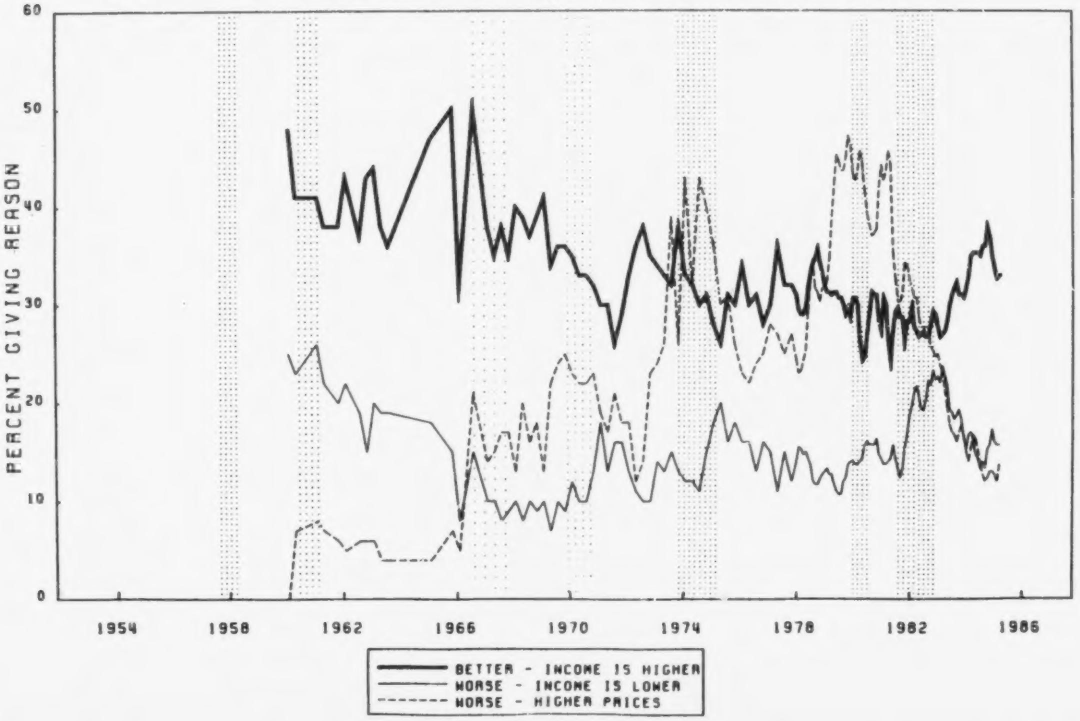


TABLE 5

SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
BETTER OFF THAN YEAR AGO:													
Income is higher	39%	32%	35%	39%	31%	38%	39%	37%	35%	33%	33%	32%	34%
WORSE OFF THAN YEAR AGO:													
Income is lower	15	15	14	14	12	16	12	18	17	17	14	16	17
Higher prices	17	18	14	14	13	11	12	14	13	12	13	11	17

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

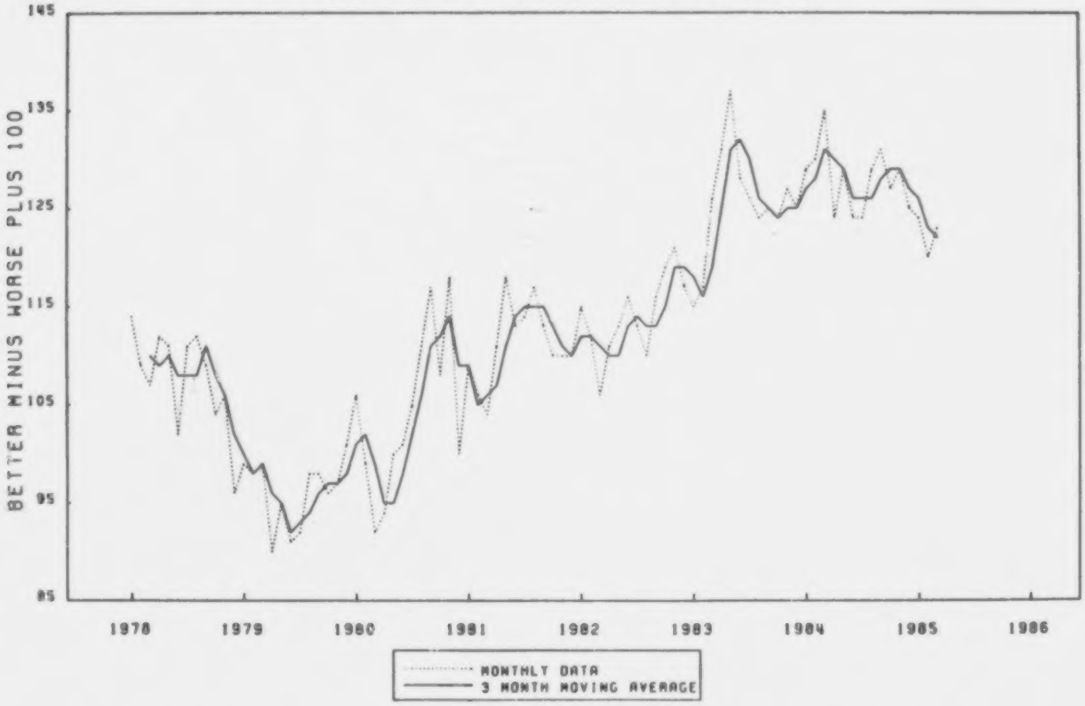


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION

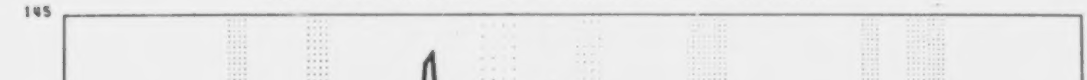


TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
BETTER OFF	44%	37%	40%	35%	34%	38%	39%	38%	39%	36%	35%	33%	36%
SAME	44	48	47	52	51	49	49	47	48	50	52	50	49
WORSE OFF	9	13	11	11	10	9	8	11	10	11	11	13	13
DK,NA	3	2	2	2	5	4	4	4	3	3	2	4	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

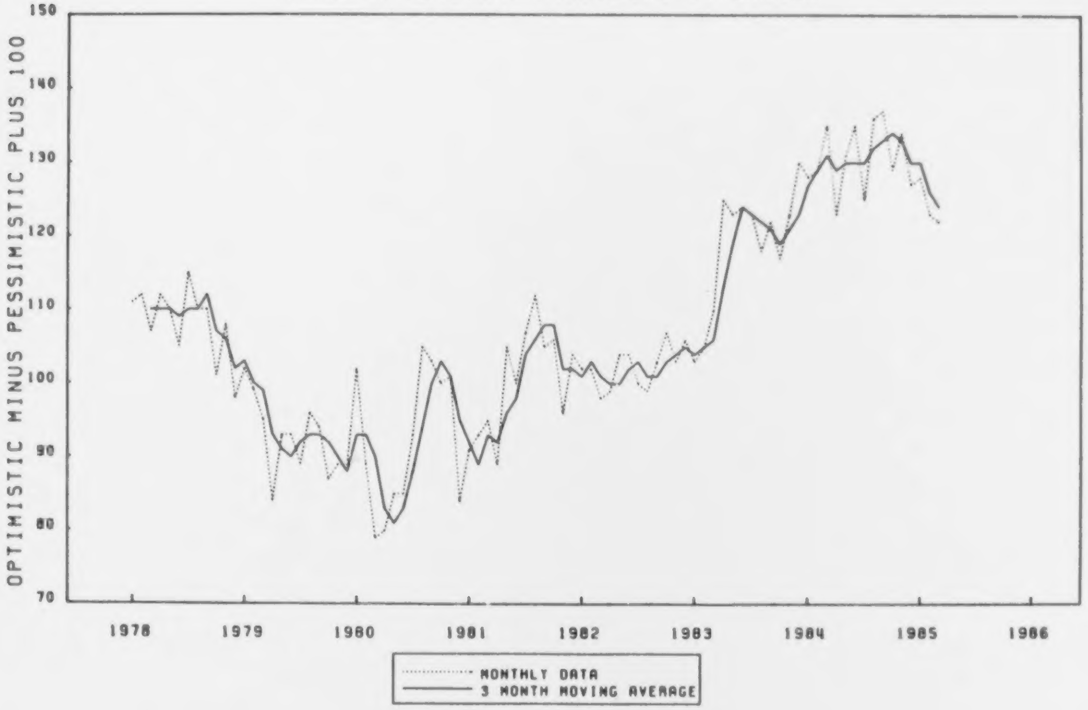


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION

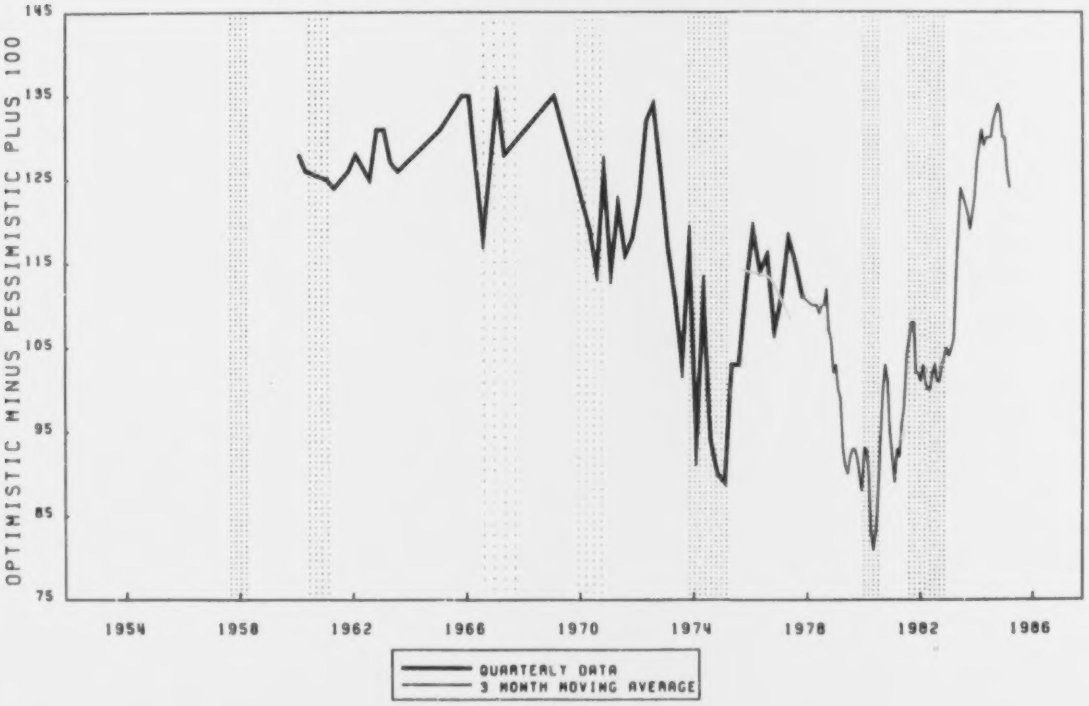


TABLE 7

TREND IN PERSONAL FINANCIAL SITUATION

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
PERSONAL FINANCIAL PROGRESS:													
Continuous increase (a)	27%	23%	23%	20%	22%	24%	25%	21%	21%	23%	19%	20%	20%
Intermittent increase (b)	27	22	24	32	24	30	28	28	32	25	28	24	26
Remain unchanged (c)	14	19	21	19	21	17	20	17	15	19	22	20	18
Intermittent decline (d)	14	16	12	12	16	13	12	15	14	15	15	15	18
Continuous decline (e)	5	6	4	5	5	5	4	5	5	6	4	6	6
Mixed change (f)	10	11	14	10	7	8	7	10	10	9	9	12	10
DK,NA	3	3	2	2	5	3	4	4	3	3	3	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME

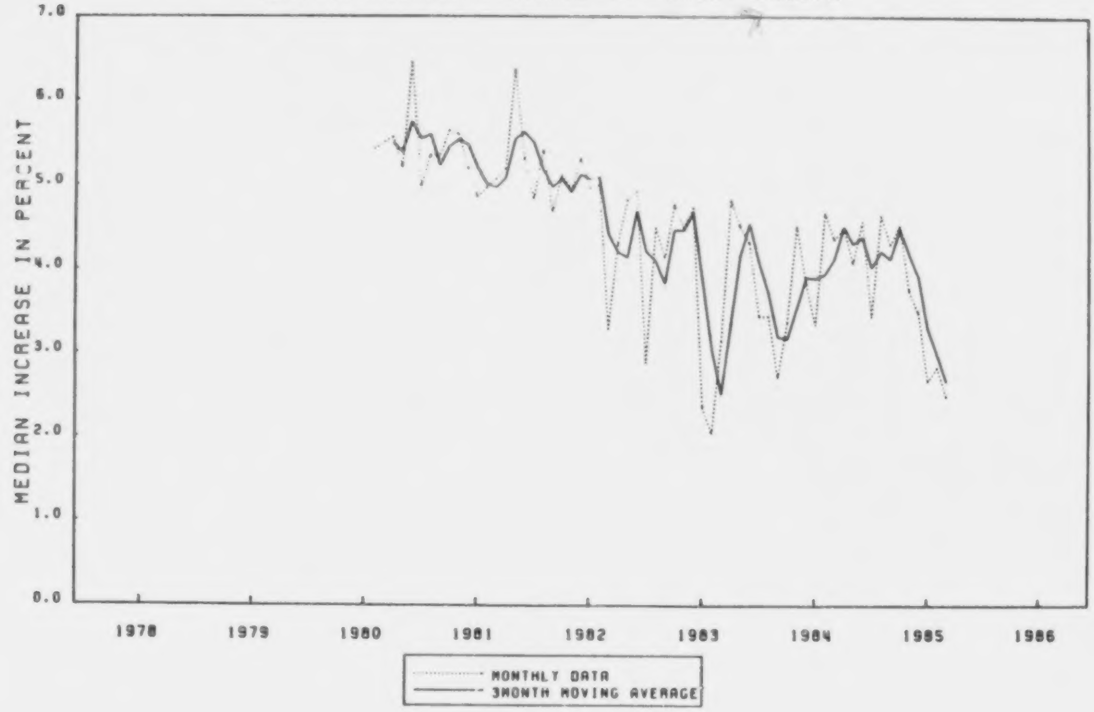


CHART 8 - HISTORICAL SERIES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME

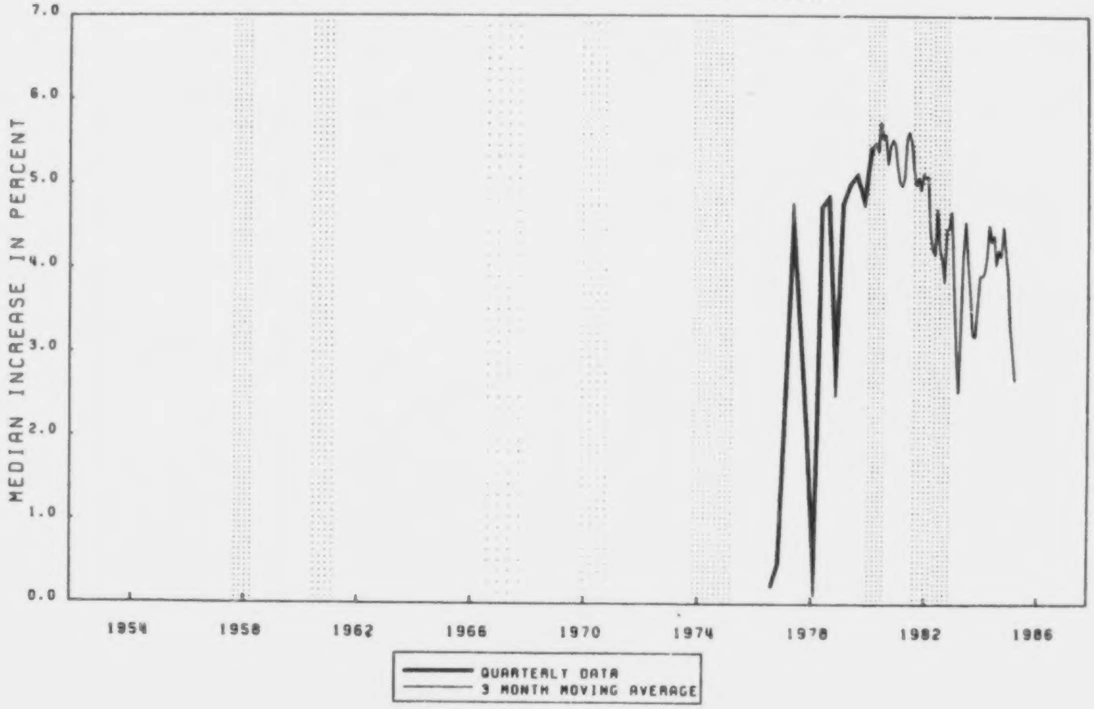


TABLE 8

EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
EXPECT INCREASE:													
1-4%	14%	11%	11%	12%	17%	13%	15%	10%	13%	12%	12%	14%	12%
5%	9	11	9	11	12	11	10	10	9	10	9	11	11
6-9%	8	8	7	12	8	11	10	8	7	8	9	6	7
10-24%	18	18	21	17	17	18	18	20	19	17	17	16	13
25% or more	11	8	8	7	6	7	7	8	8	7	6	7	8
DK how much up	6	5	6	3	4	3	4	5	6	7	3	3	4
EXPECT SAME	26	22	26	24	23	24	23	25	23	23	27	26	29
EXPECT DOWN	7	15	11	11	11	11	11	12	13	15	16	16	15
DK,NA	1	2	1	3	2	2	2	2	2	1	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES

INCOME OR PRICES UP MORE DURING THE LAST YEAR

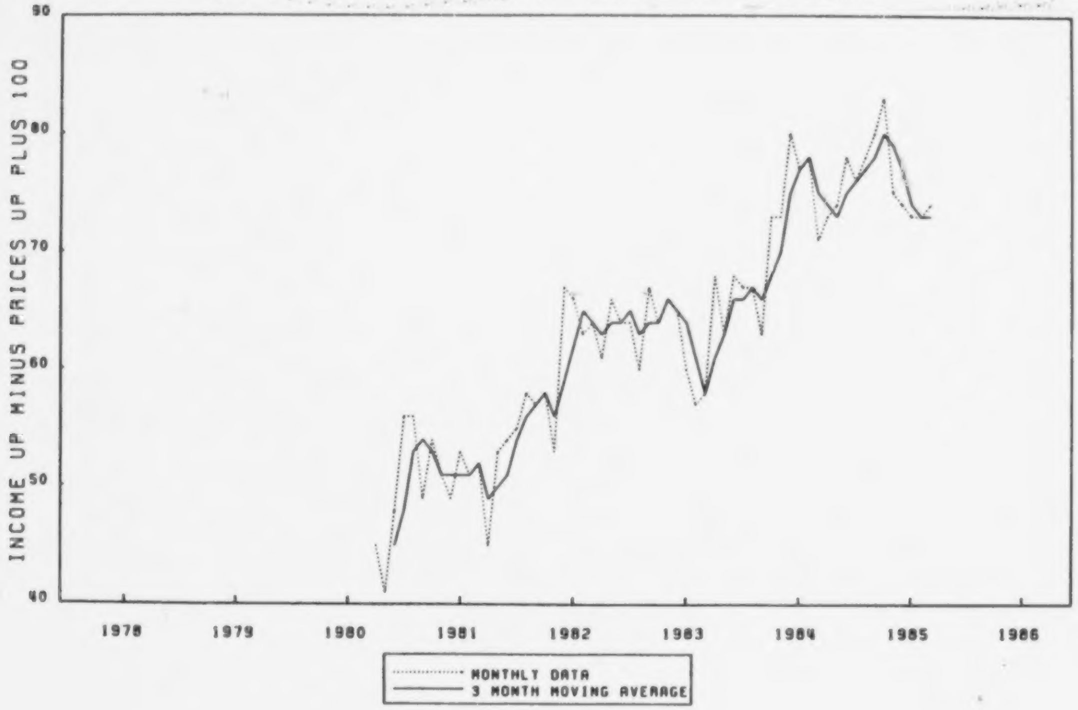


CHART 9 - HISTORICAL SERIES

INCOME OR PRICES UP MORE DURING THE LAST YEAR

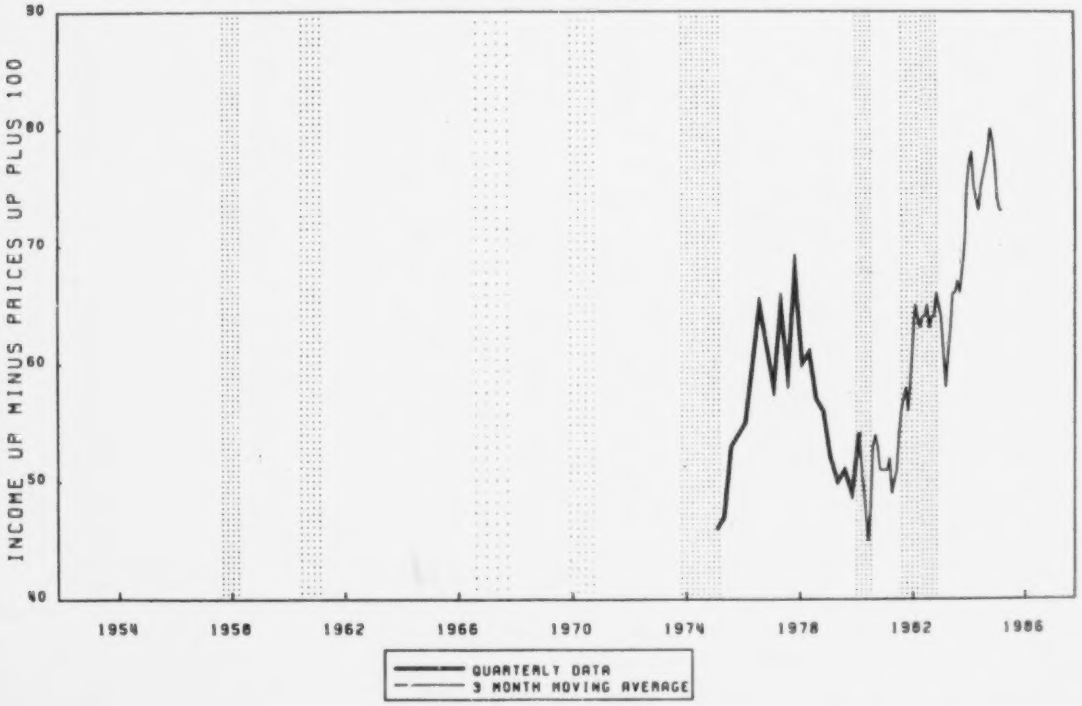


TABLE 9

PAST CHANGE IN REAL FAMILY INCOME

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
INCOME UP MORE	20%	20%	20%	21%	21%	21%	22%	25%	21%	19%	16%	19%	19%
INCOME UP SAME	30	32	33	34	33	34	36	31	31	35	40	34	35
PRICES UP MORE	49	47	46	43	45	43	42	42	46	45	43	46	45
DK,NA	1	1	1	2	1	2	*	2	2	1	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

* : Less than half of one percent.

CHART 10 - RECENT CHANGES
INCOME OR PRICES UP MORE NEXT YEAR

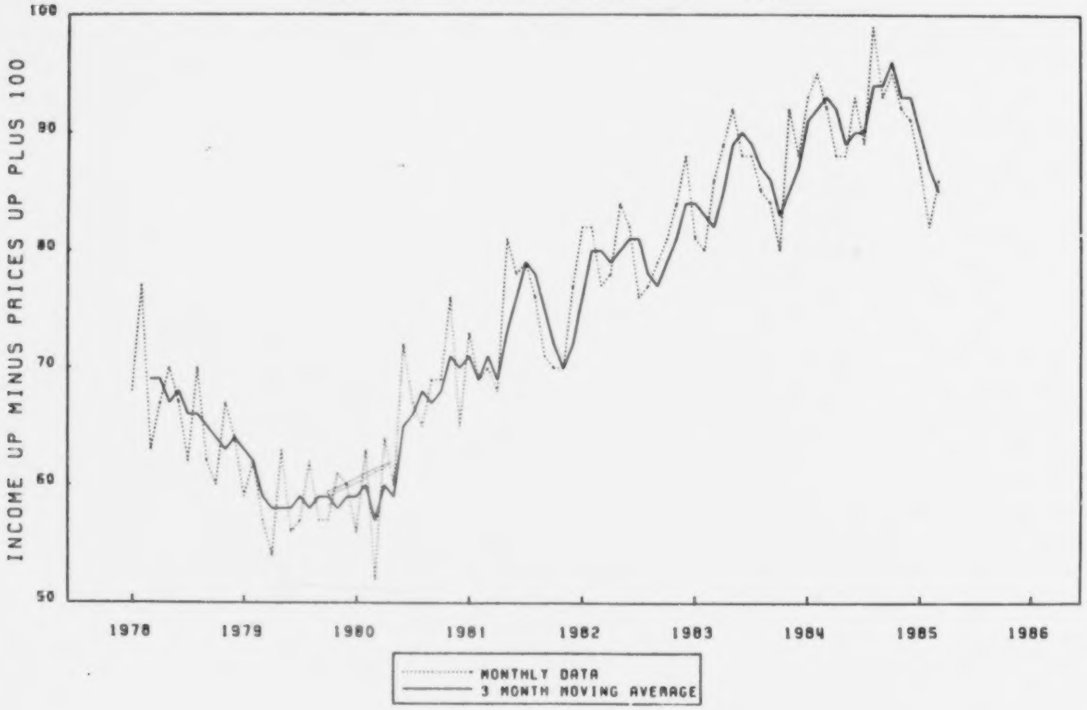


CHART 10 - HISTORICAL SERIES
INCOME OR PRICES UP MORE NEXT YEAR

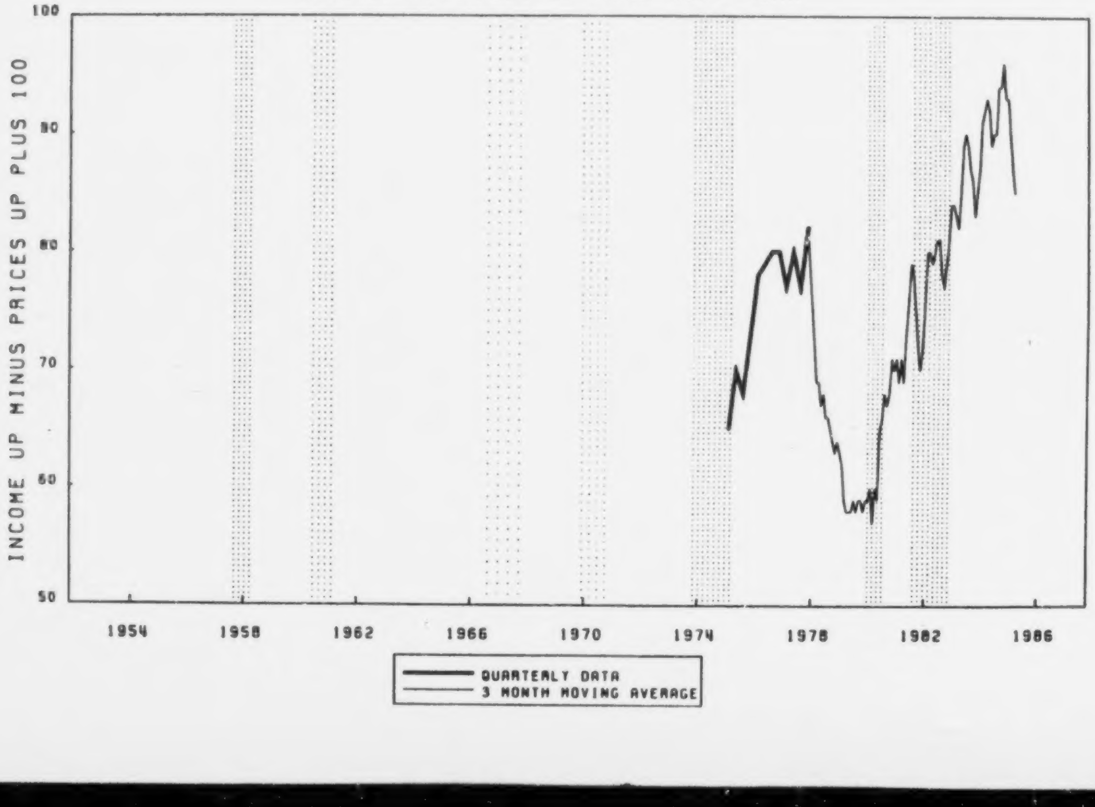


TABLE 10

EXPECTED CHANGE IN REAL FAMILY INCOME

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
INCOME UP MORE	23%	21%	22%	22%	22%	25%	23%	25%	23%	21%	20%	20%	18%
INCOME UP SAME	44	43	42	47	41	45	44	43	44	46	45	40	49
PRICES UP MORE	31	33	34	29	33	26	30	30	31	30	33	38	32
DK,NA	2	3	2	2	4	4	3	2	2	3	2	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON

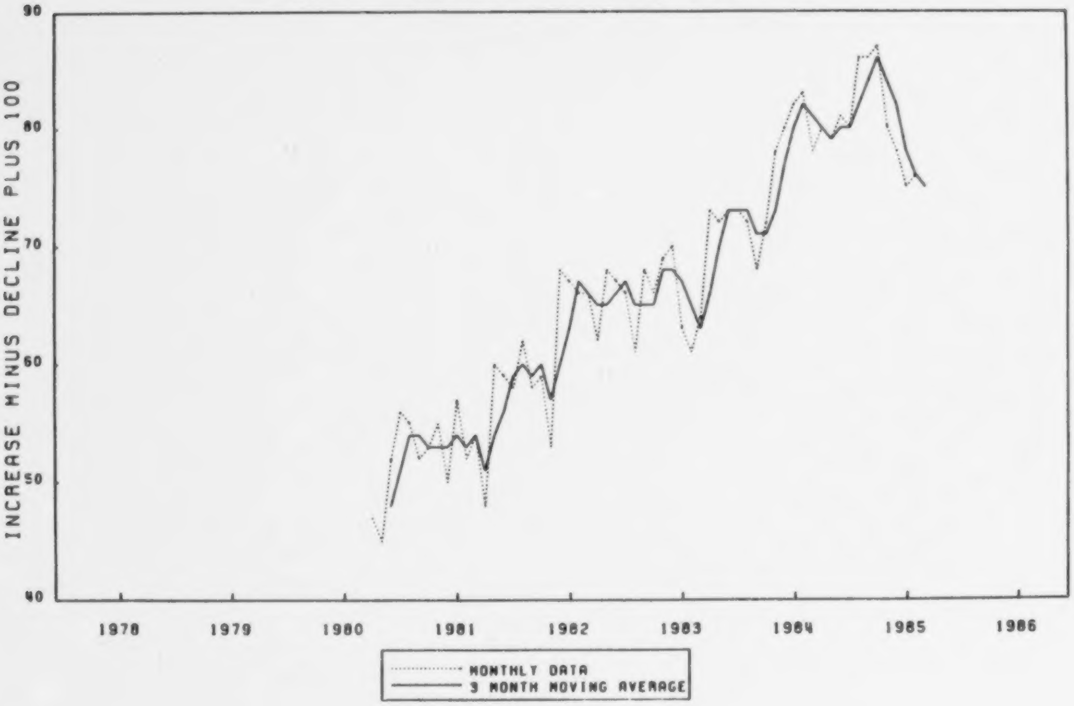


CHART 11 - HISTORICAL SERIES
TREND IN INCOME AND PRICE COMPARISON

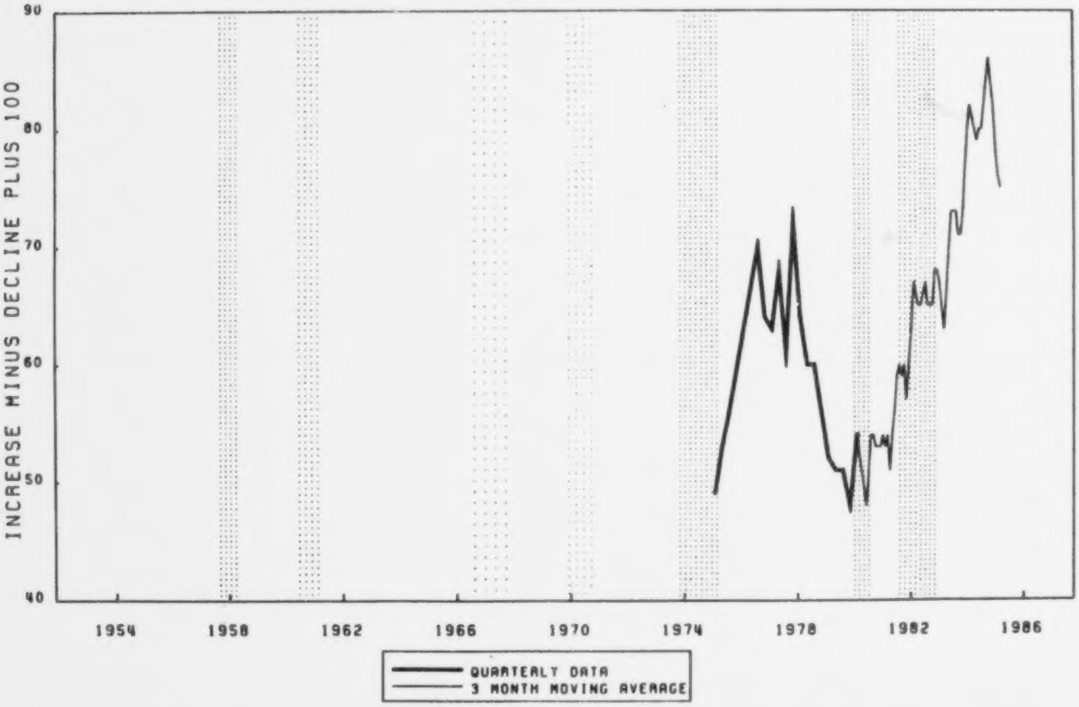


TABLE 11

TREND IN FAMILY INCOME AND PRICES COMPARISONS

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
REAL INCOME PROGRESS:													
Continuous increase (a)	12%	10%	9%	11%	10%	12%	12%	14%	12%	10%	8%	10%	9%
Intermittent increase (b)	12	14	17	13	14	15	16	14	14	12	13	14	14
Remain unchanged (c)	20	21	17	22	20	21	22	20	19	23	24	20	23
Intermittent decline (d)	20	18	22	23	20	22	20	18	22	22	23	19	24
Continuous decline (e)	26	26	25	20	24	19	22	23	24	22	23	29	24
Mixed change (f)	8	7	7	8	8	6	5	7	6	8	6	6	4
DK,NA	2	4	3	3	4	5	3	4	3	3	3	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART12 - RECENT CHANGES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

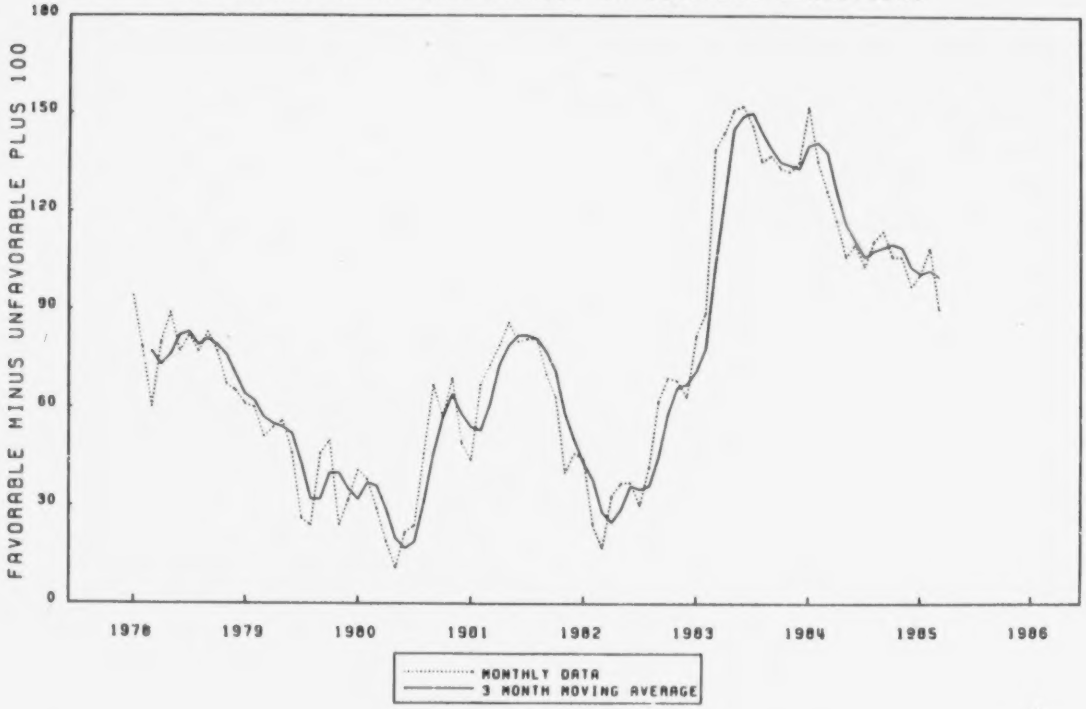


CHART12 - HISTORICAL SERIES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

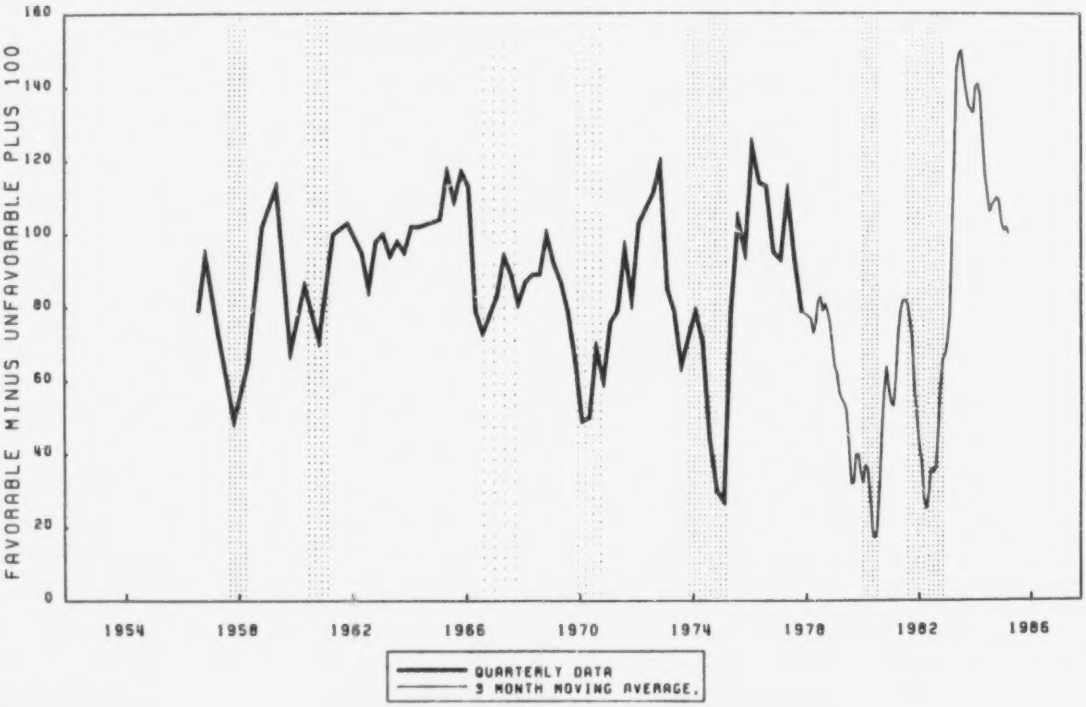


TABLE 12

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
FAVORABLE NEWS	58%	49%	47%	50%	42%	51%	52%	44%	41%	39%	43%	50%	35%
UNFAVORABLE NEWS	32	32	41	40	39	40	38	38	35	42	42	41	45
NO MENTIONS	43	46	41	41	46	39	41	44	49	46	44	41	48

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES

TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

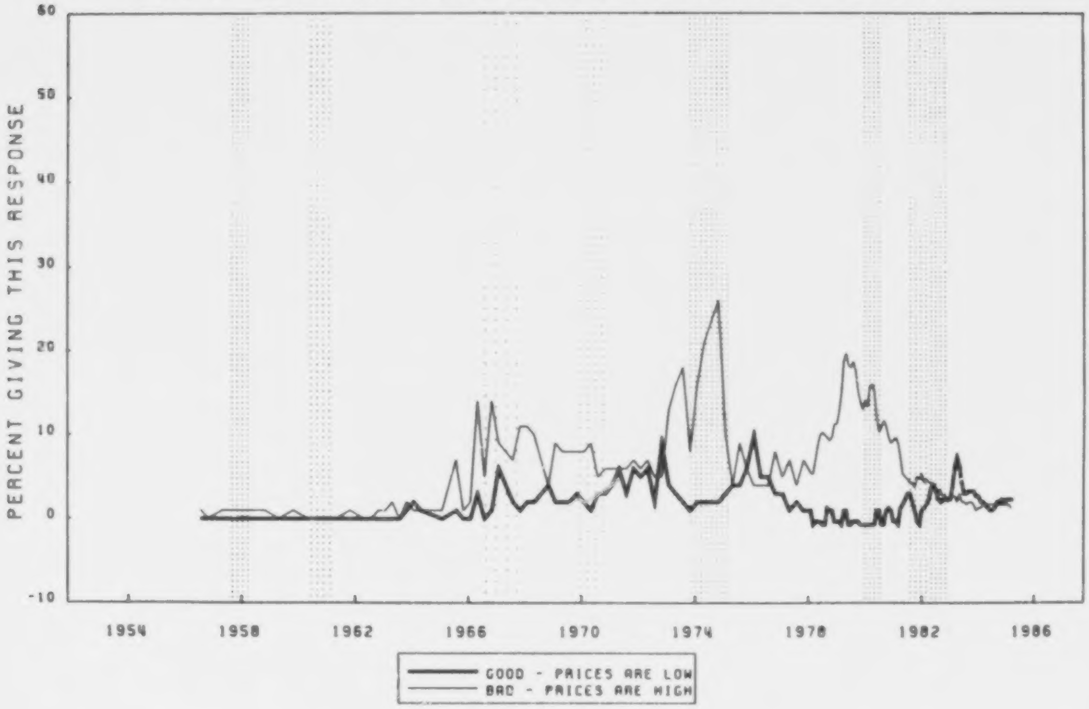


CHART 13B - HISTORICAL SERIES

TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

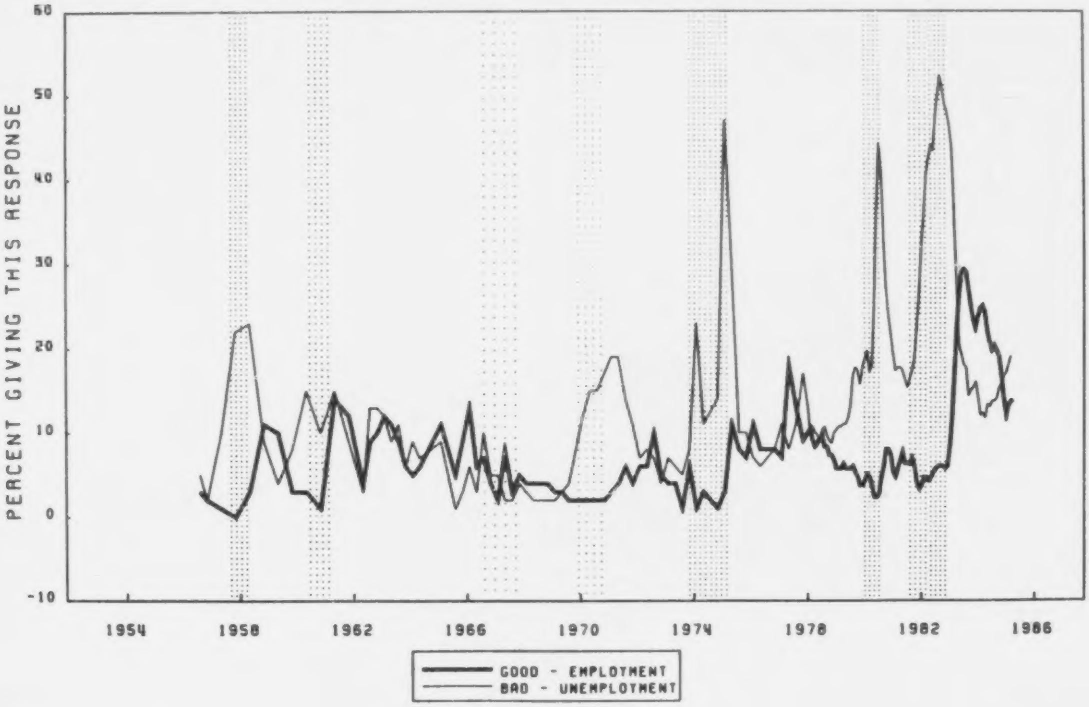


TABLE 13

SELECTED ITEMS OF NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
FAVORABLE NEWS:													
Government; elections	1%	1%	1%	2%	2%	2%	3%	1%	2%	3%	4%	3%	2%
Employment	25	23	18	21	20	20	19	18	13	11	12	17	12
Consumer demand high	10	8	10	8	4	7	7	5	4	5	5	5	5
Prices are low	2	1	1	1	1	2	3	1	3	2	2	3	2
Credit is easy	5	4	2	3	2	4	3	4	8	9	10	9	5
UNFAVORABLE NEWS:													
Government; elections	4	2	3	2	4	4	4	3	3	6	5	6	5
Unemployment	14	11	15	13	13	15	14	17	16	17	18	19	20
Consumer demand low	1	*	2	1	2	2	2	1	2	3	3	3	2
Prices are high	2	1	2	2	1	2	2	1	2	2	1	2	1
Credit is tight	3	9	10	12	13	9	6	5	3	2	2	1	2
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

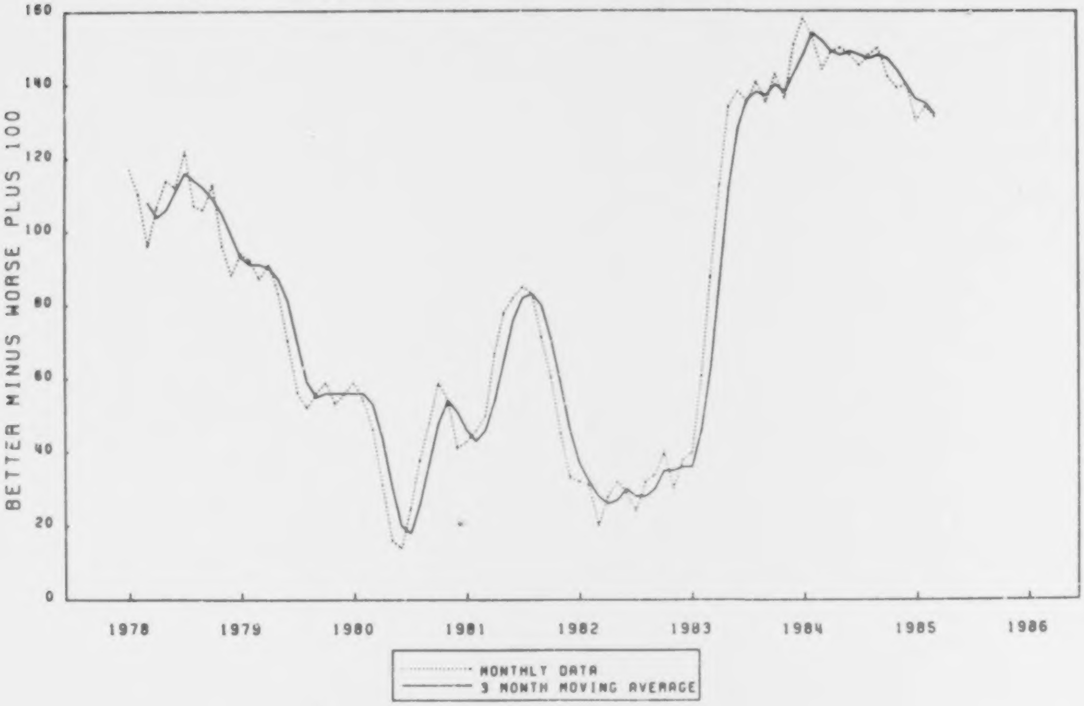


CHART 14 - HISTORICAL SERIES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

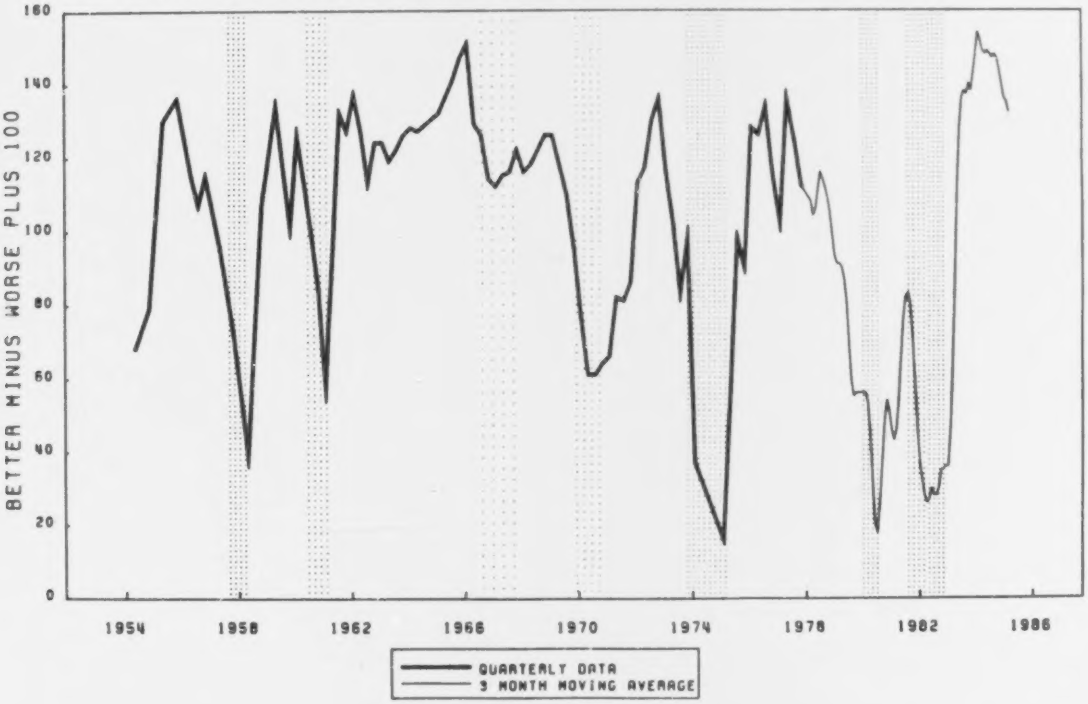


TABLE 14

CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
BETTER NOW	67%	68%	70%	67%	67%	68%	68%	65%	63%	63%	57%	60%	57%
SAME	9	11	9	12	9	11	12	10	12	13	14	12	15
WORSE NOW	23	19	20	19	22	20	18	23	24	23	27	26	26
DK,NA	1	2	1	2	2	1	2	2	1	1	2	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

CHART 15 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

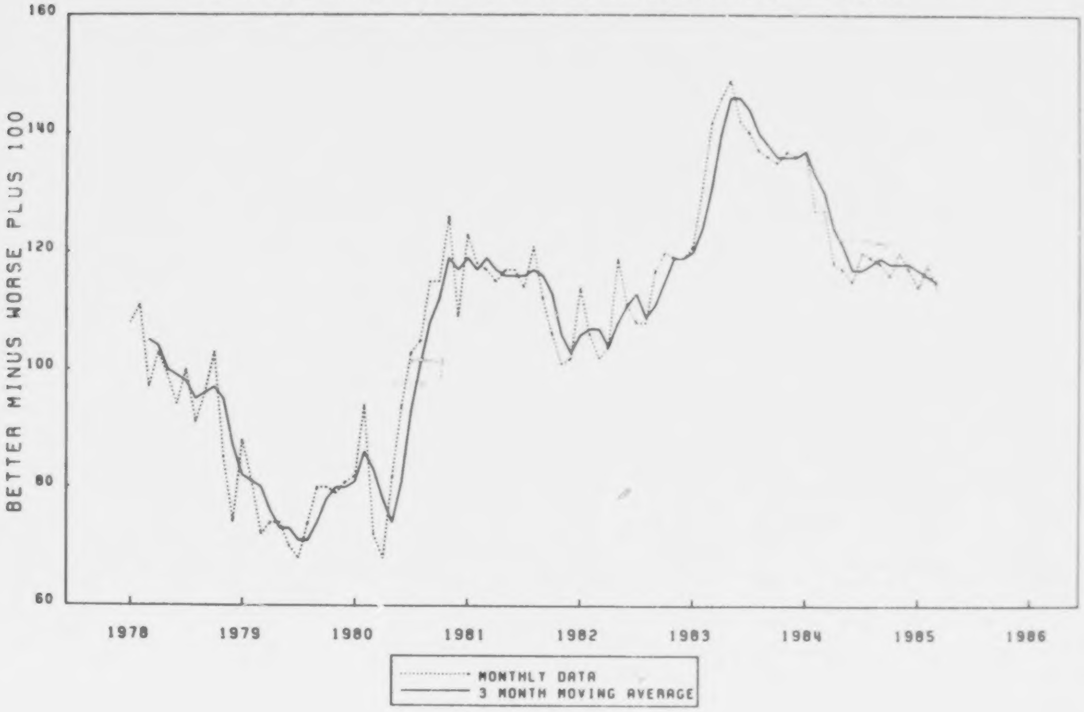


CHART 15 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

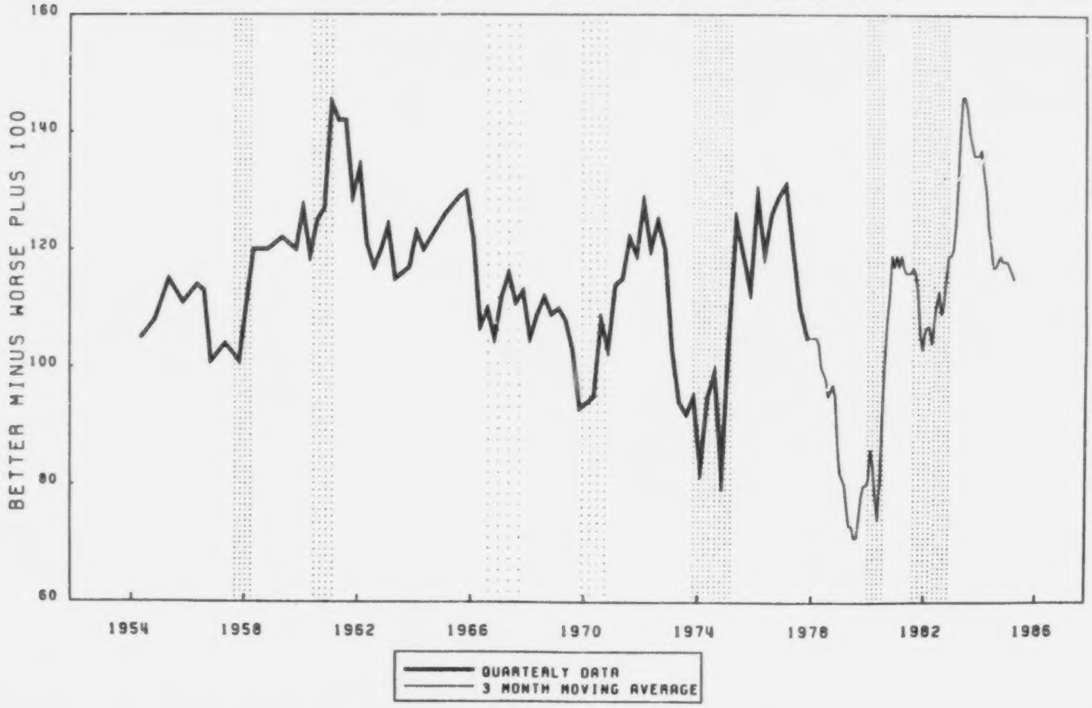


TABLE 15

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
BETTER	38%	32%	31%	30%	32%	33%	33%	32%	35%	33%	29%	33%	29%
SAME	49	52	53	53	51	49	48	49	48	47	55	50	53
WORSE	11	14	14	15	12	14	15	16	15	16	15	15	15
DK,NA	2	2	2	2	5	4	4	3	2	4	1	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

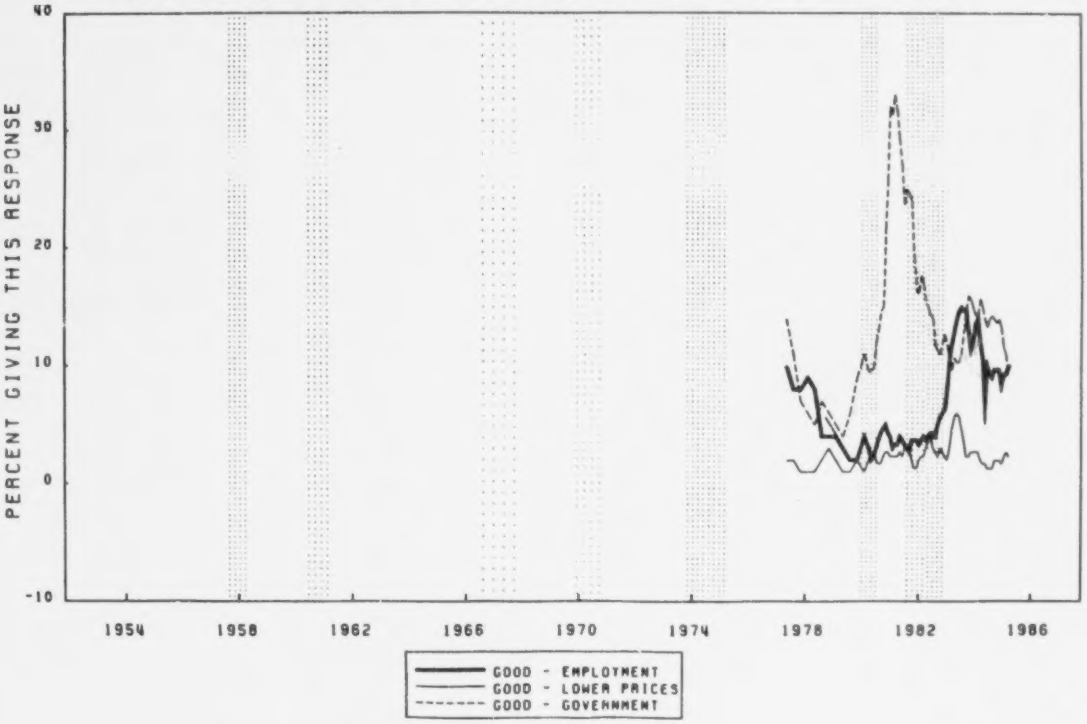


CHART 16B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

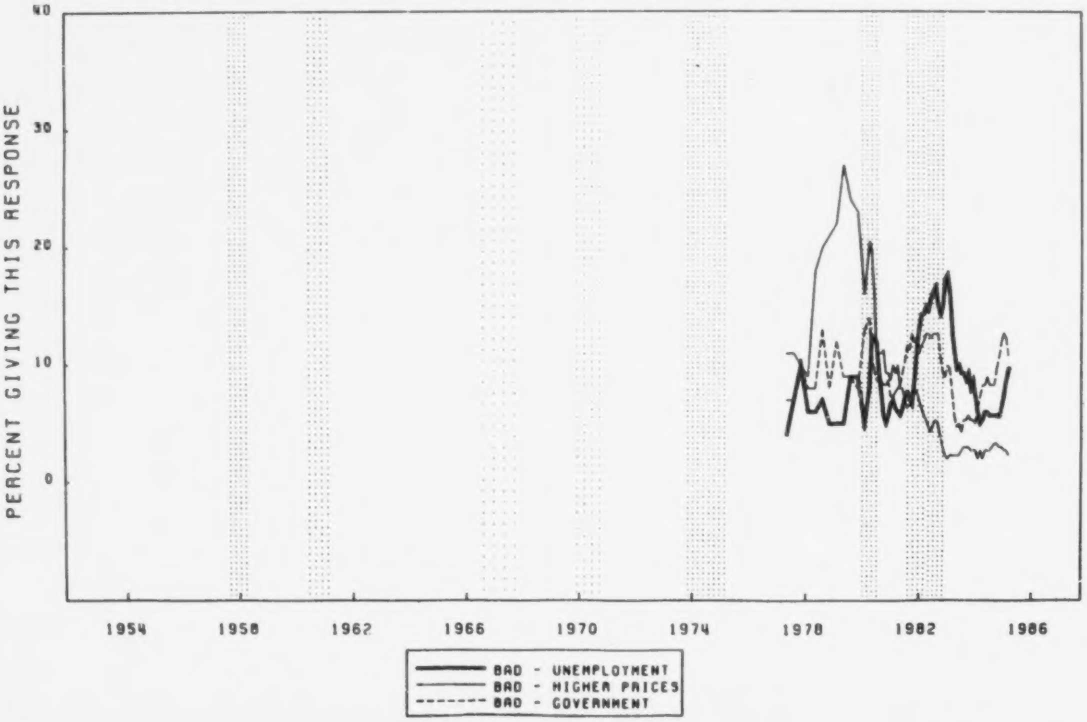


TABLE 16

REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
FAVORABLE REASONS:													
Government; elections	17%	13%	12%	15%	15%	13%	14%	14%	14%	12%	9%	12%	8%
Employment	10	11	9	10	9	8	12	9	8	8	12	8	10
Higher consumer demand	4	4	5	4	5	5	2	2	5	4	4	4	5
Lower prices	2	1	2	1	1	2	3	1	2	2	3	3	1
Easier credit	2	2	2	2	4	4	4	3	5	6	4	4	4
UNFAVORABLE REASONS:													
Government; elections	9	7	9	11	5	9	11	9	12	15	11	11	10
Unemployment	5	7	6	5	6	6	5	6	5	8	9	9	11
Lower consumer demand	1	2	2	2	2	3	2	2	3	4	2	2	4
Higher prices	3	2	3	2	3	4	3	3	3	3	2	3	2
Tighter credit	2	7	7	8	7	5	4	4	3	3	4	3	2
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

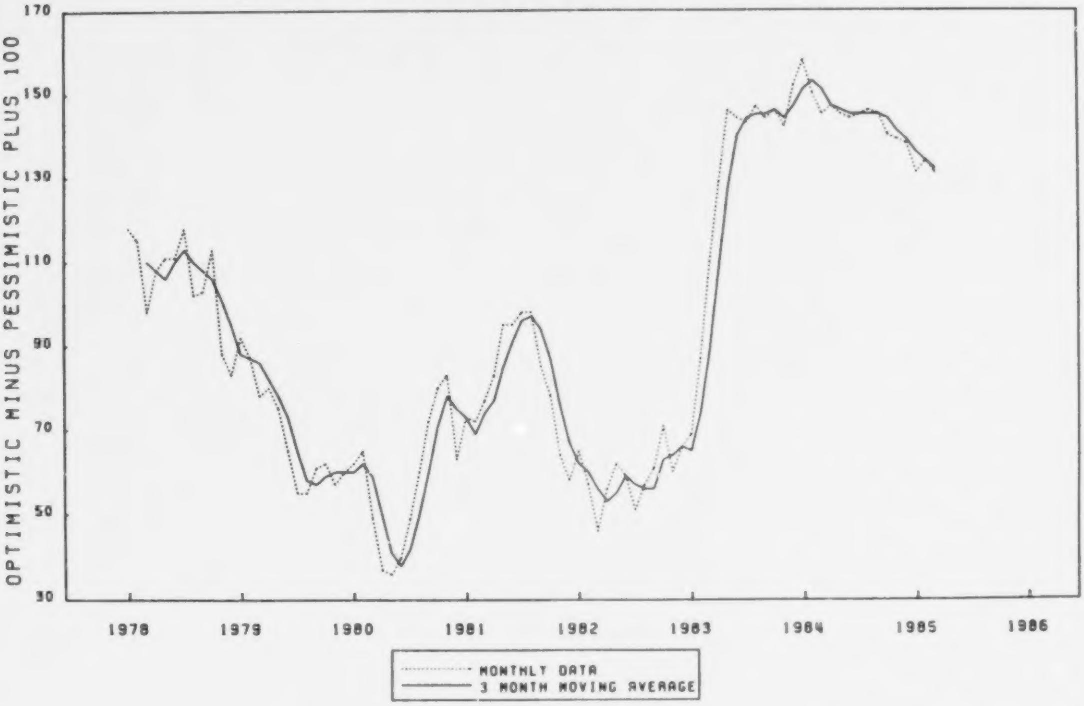


CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

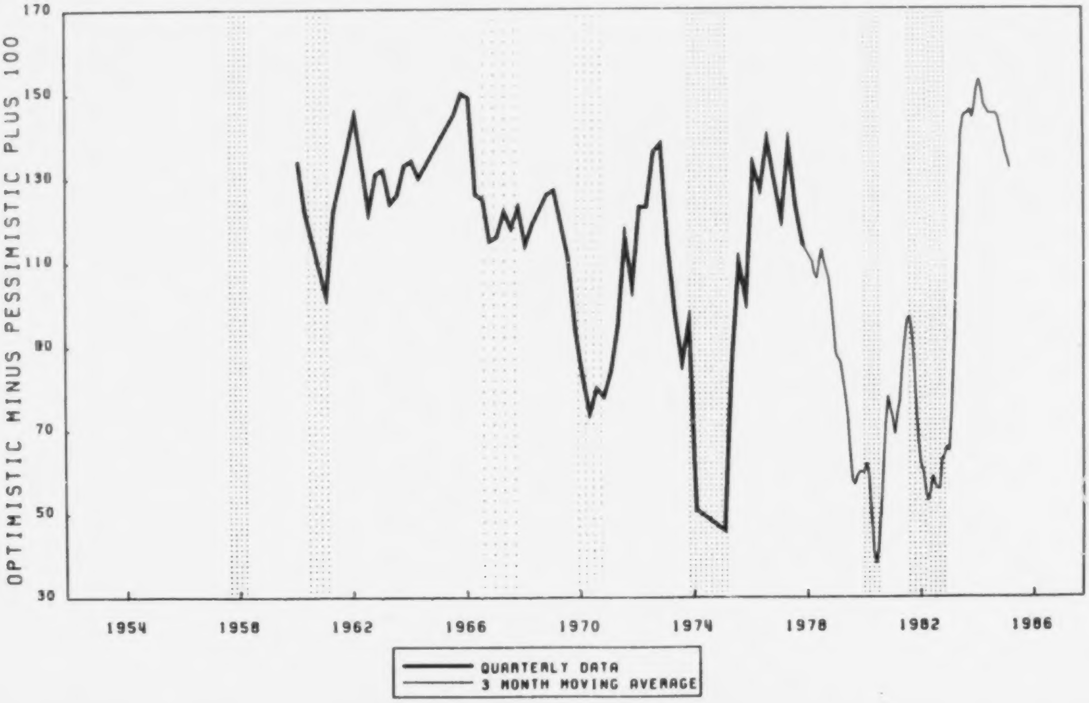


TABLE 17

TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
TREND:													
Continuous increase (a)	31%	25%	27%	25%	25%	25%	27%	24%	28%	27%	21%	26%	22%
Intermittent increase (b)	32	39	36	37	38	36	35	36	32	32	36	31	33
Remain unchanged (c)	6	7	7	7	4	6	6	5	6	7	8	7	9
Intermittent decline (d)	14	10	13	11	12	10	11	12	14	13	17	15	15
Continuous decline (e)	4	7	5	7	6	5	6	8	7	8	9	8	9
Mixed change (f)	10	9	10	9	9	12	10	10	9	9	7	9	8
DK,NA	3	3	2	4	6	6	5	5	4	4	2	4	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

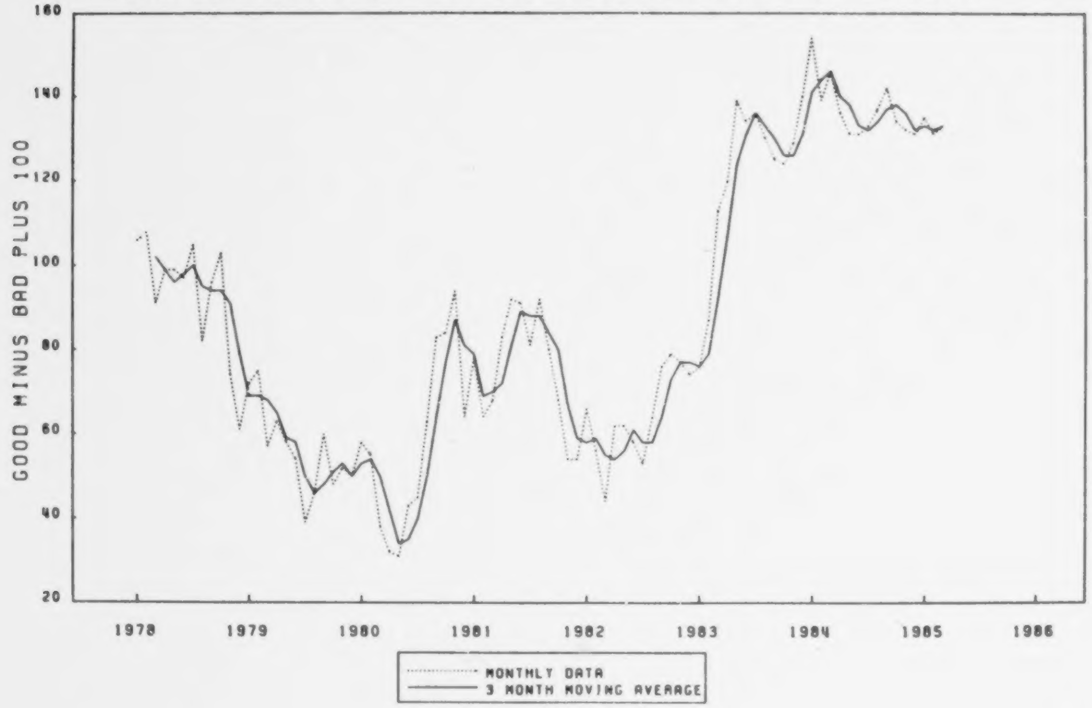


CHART 18 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

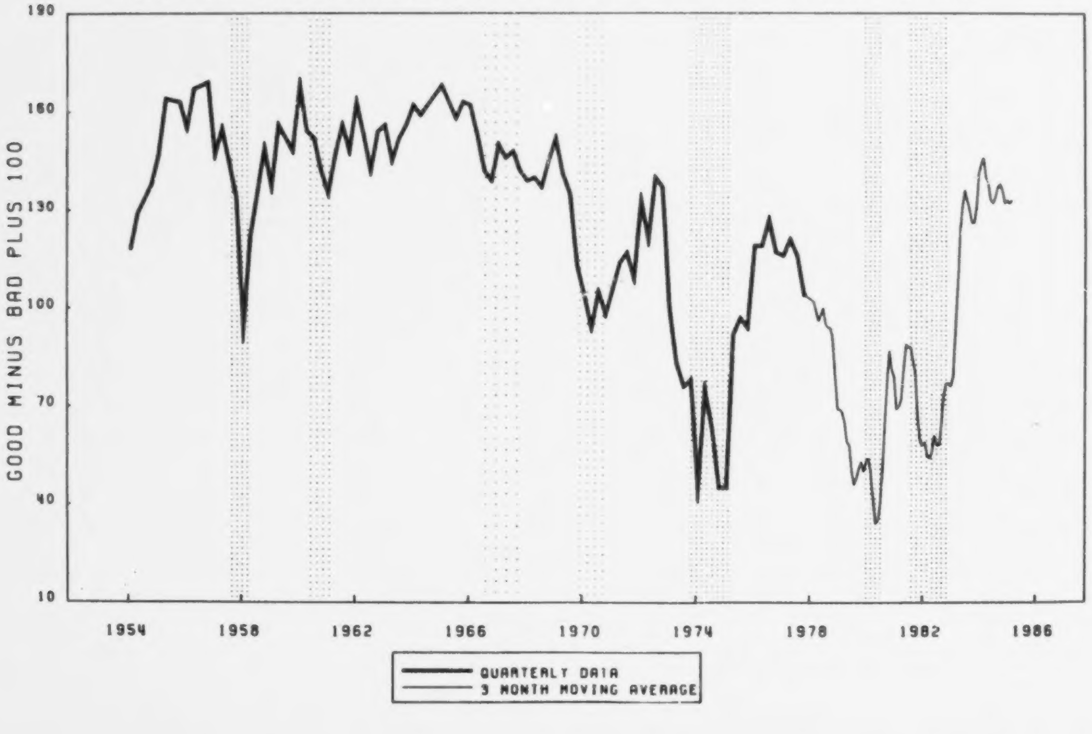


CHART 18 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

TABLE 18

BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
GOOD TIMES	69%	63%	60%	60%	61%	62%	66%	60%	59%	59%	63%	62%	62%
UNCERTAIN; GOOD & BAD	2	3	3	2	2	3	3	4	3	3	4	2	2
BAD TIMES	23	27	29	29	28	25	24	26	27	28	28	31	29
DON'T KNOW	4	5	5	6	6	7	6	6	7	7	4	3	5
NOT ASCERTAINED	2	2	3	3	3	3	1	4	4	3	1	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

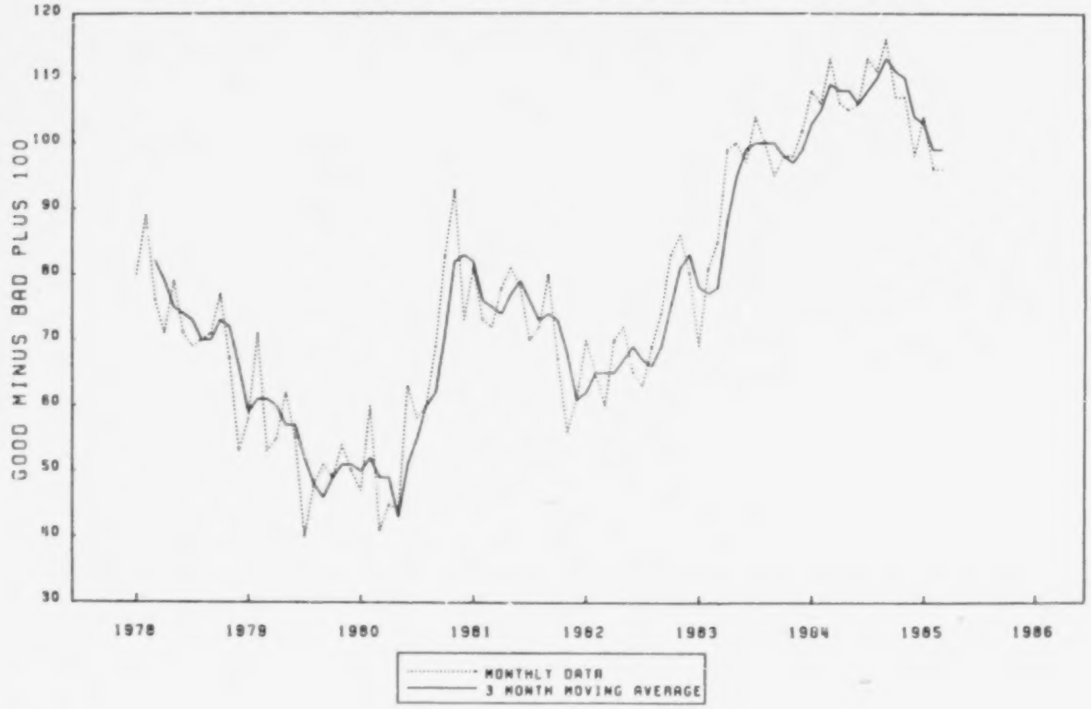


CHART 19 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

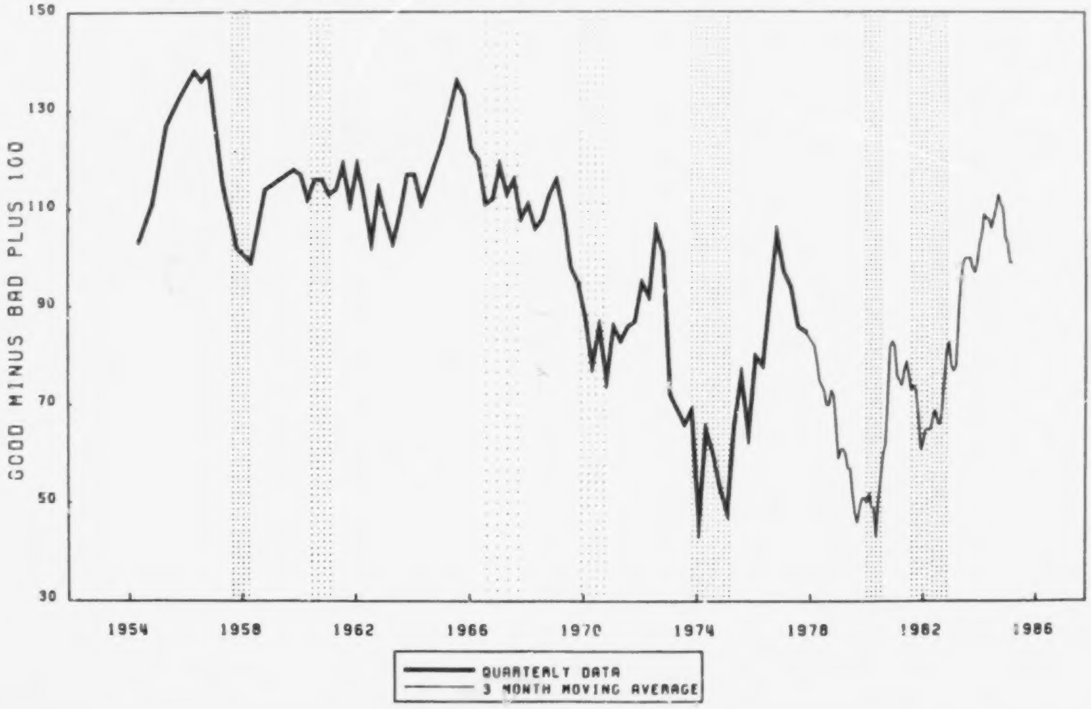


TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
GOOD TIMES	47%	41%	43%	42%	44%	47%	47%	43%	42%	39%	43%	41%	40%
UNCERTAIN; GOOD & BAD	15	19	15	17	19	13	17	17	17	15	15	11	13
BAD TIMES	34	35	38	36	31	36	31	36	35	41	39	45	44
NOT ASCERTAINED	4	5	4	5	6	4	5	4	6	5	3	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

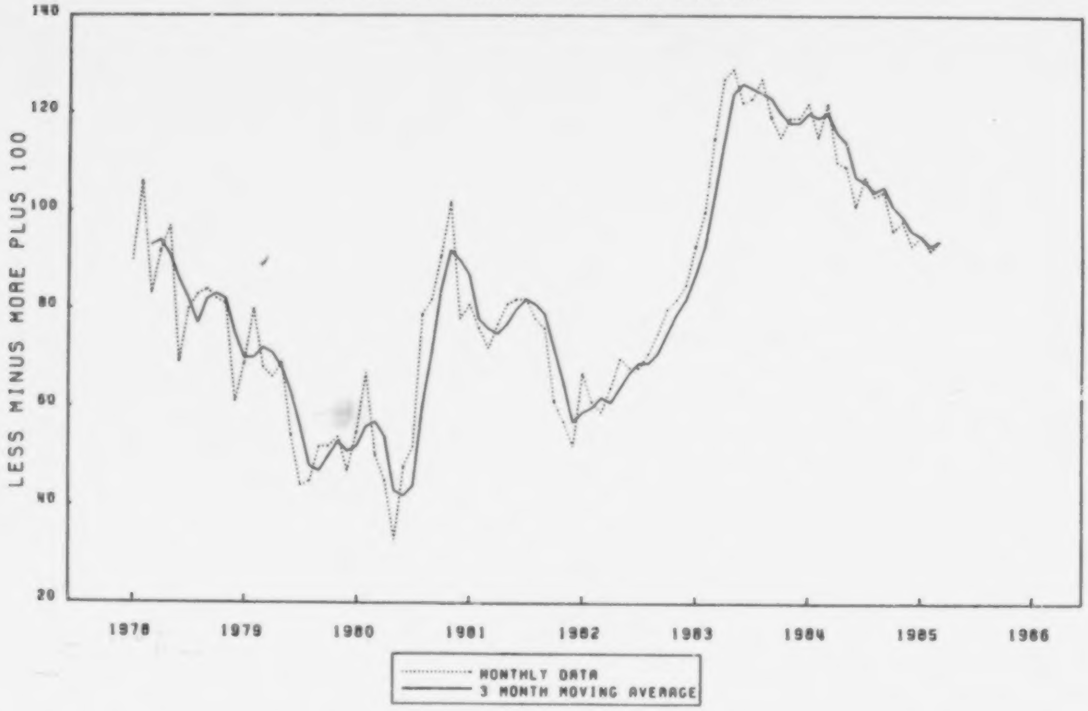


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

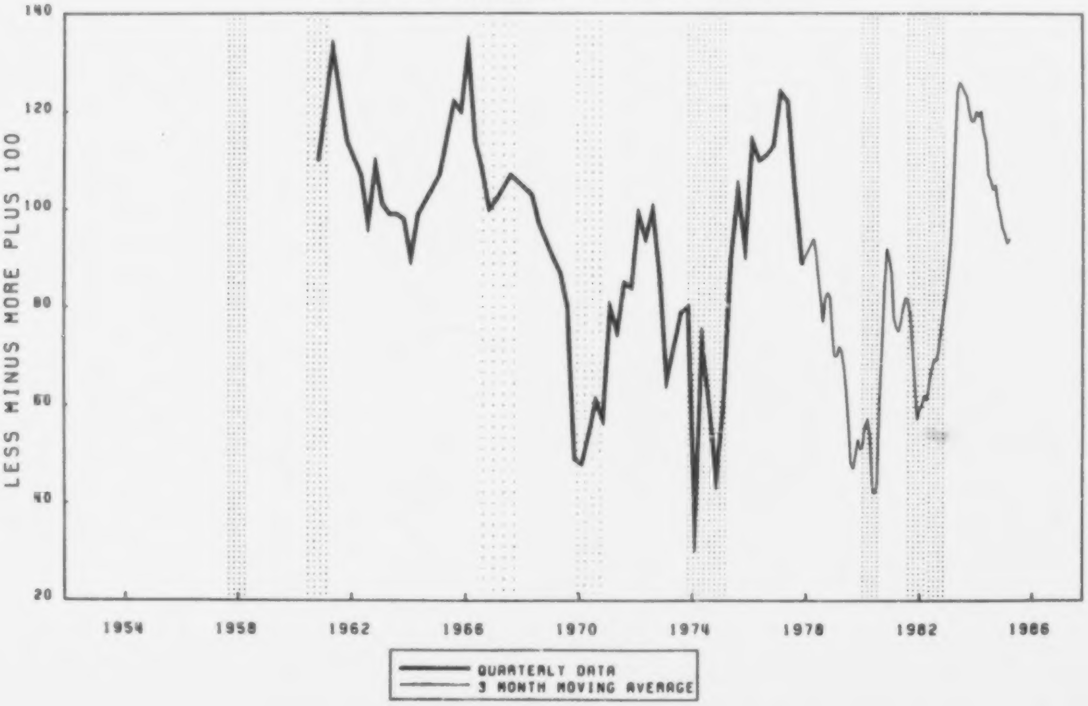


TABLE 20

EXPECTED CHANGE IN UNEMPLOYMENT

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
LESS	38%	28%	29%	24%	26%	24%	26%	20%	22%	21%	20%	20%	23%
SAME	45	52	51	52	53	54	50	54	52	50	54	50	47
MORE	16	18	20	23	19	21	22	24	24	28	25	28	29
DK,NA	1	2	*	1	2	1	2	2	2	1	1	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

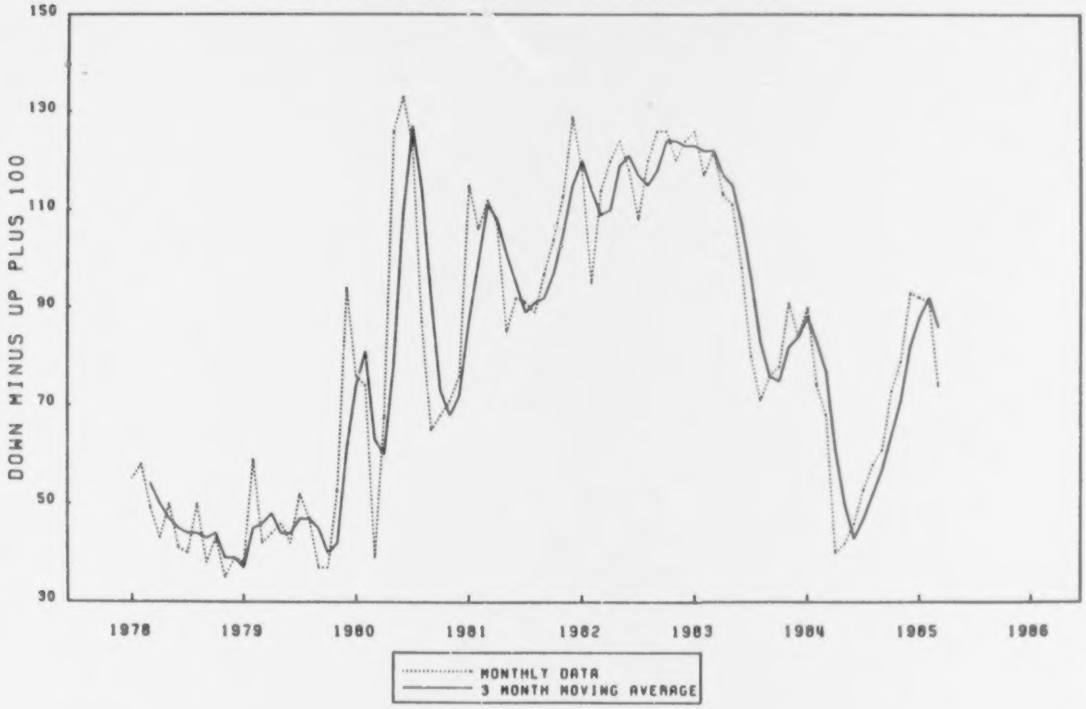


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

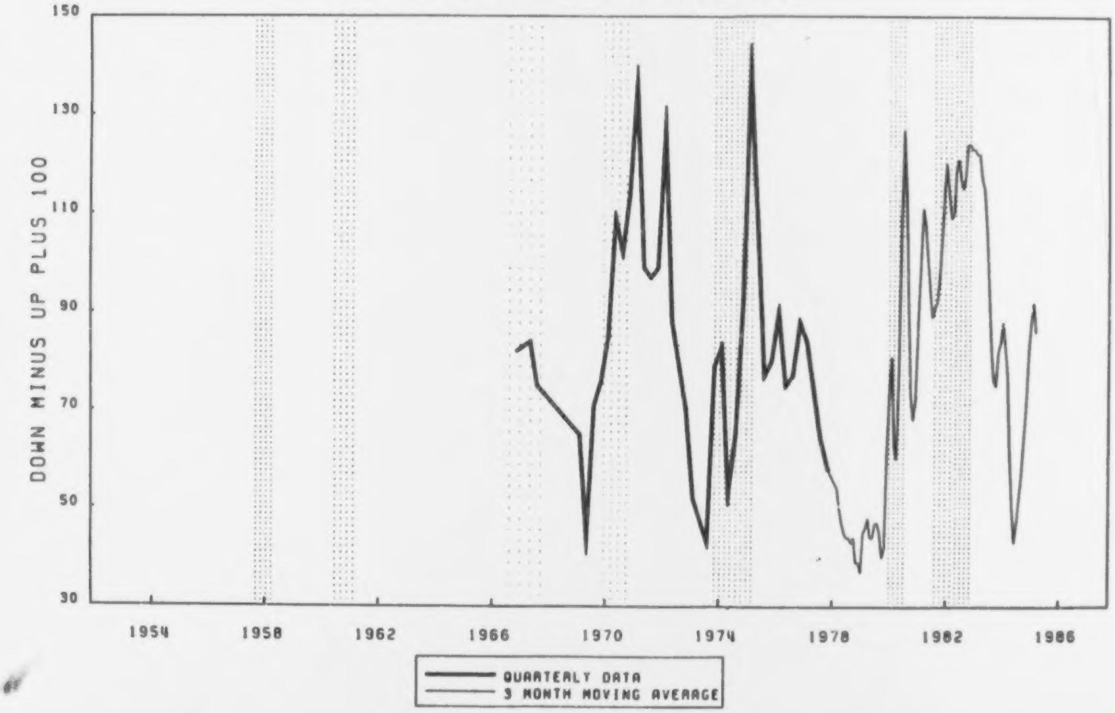


TABLE 21

EXPECTED CHANGE IN INTEREST RATES

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
GO UP	45%	68%	66%	64%	58%	55%	52%	45%	44%	37%	36%	35%	45%
STAY THE SAME	37	21	25	24	27	29	32	33	31	30	33	37	32
GO DOWN	13	8	8	10	11	13	13	18	23	30	28	26	19
DK,NA	5	3	1	2	4	3	3	4	2	3	3	2	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES
CHANGE IN PRICES DURING THE LAST 12 MONTHS

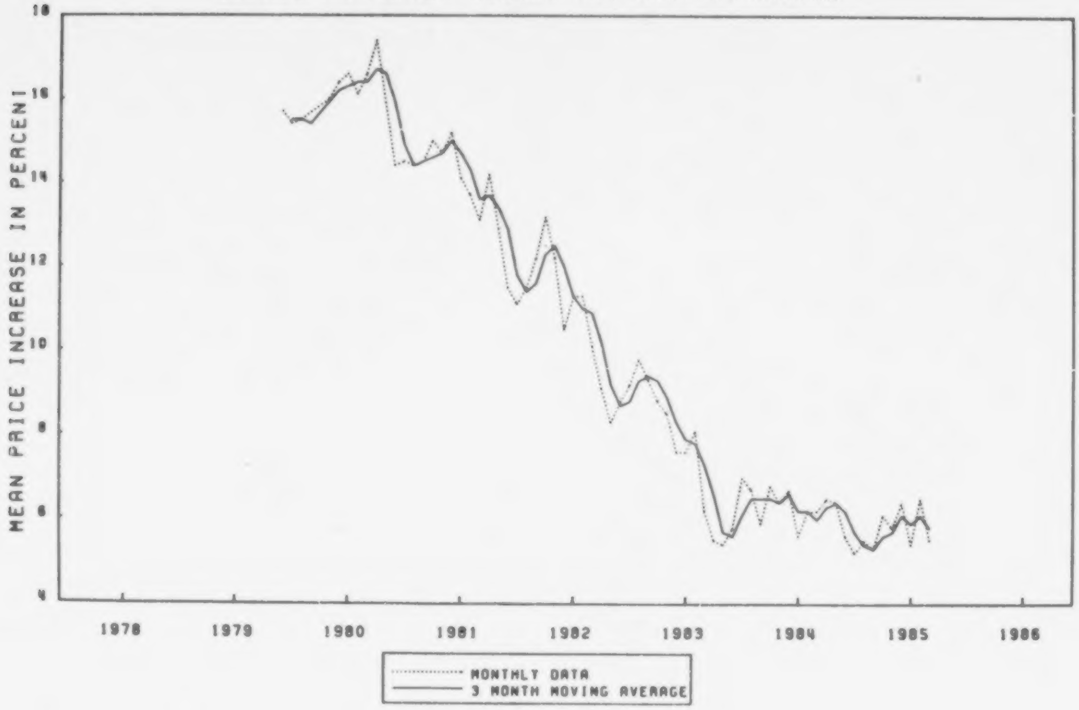


CHART 22 - HISTORICAL SERIES
CHANGE IN PRICES DURING THE LAST 12 MONTHS

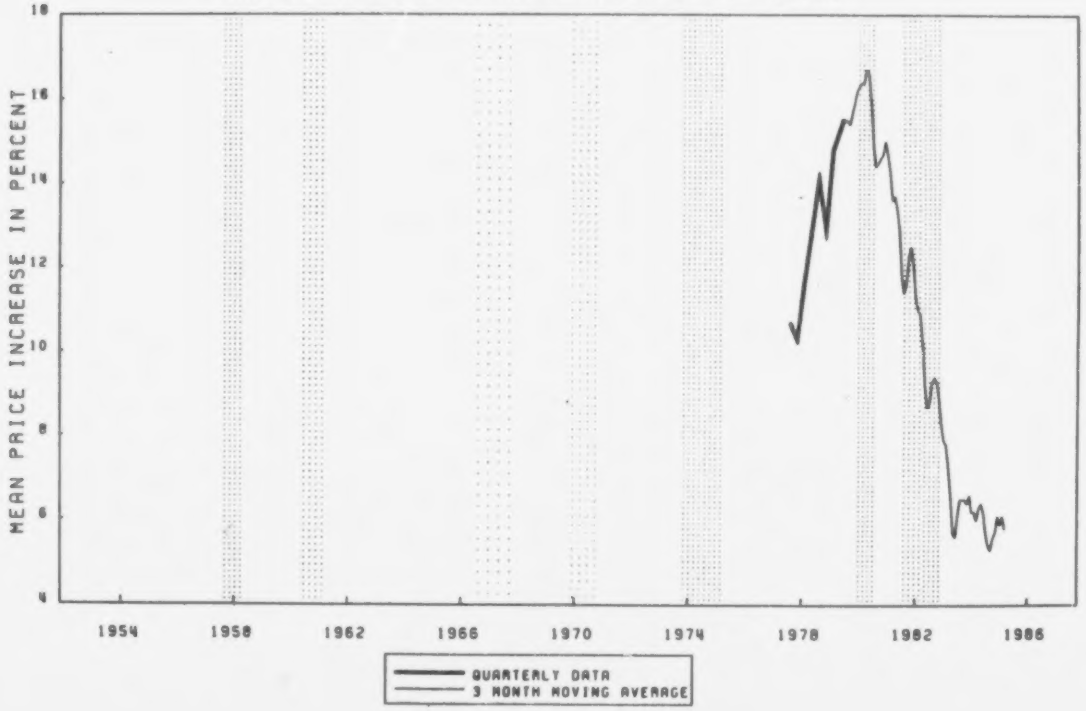


TABLE 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
SAME OR DOWN	23%	22%	23%	22%	27%	29%	29%	28%	27%	24%	25%	25%	28%
GONE UP BY:													
1-2%	8	10	10	12	8	10	9	9	11	9	11	11	11
3-4%	16	14	14	17	17	12	16	15	15	14	17	16	18
5%	15	17	17	16	16	18	16	13	14	18	17	13	14
6-9%	10	11	9	8	8	8	7	7	5	6	7	8	5
10-14%	12	9	13	12	11	11	9	11	11	11	10	11	10
15% or more	9	12	10	8	8	7	8	11	10	10	8	11	9
DK how much up	7	5	4	5	4	5	6	5	6	7	5	4	5
DK,NA	*	*	*	*	1	*	*	1	1	1	*	1	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	6.2	6.5	6.4	5.6	5.2	5.5	5.3	6.1	5.8	6.4	5.4	6.5	5.5
VARIANCE	72	75	78	54	48	75	63	84	76	86	66	93	72
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

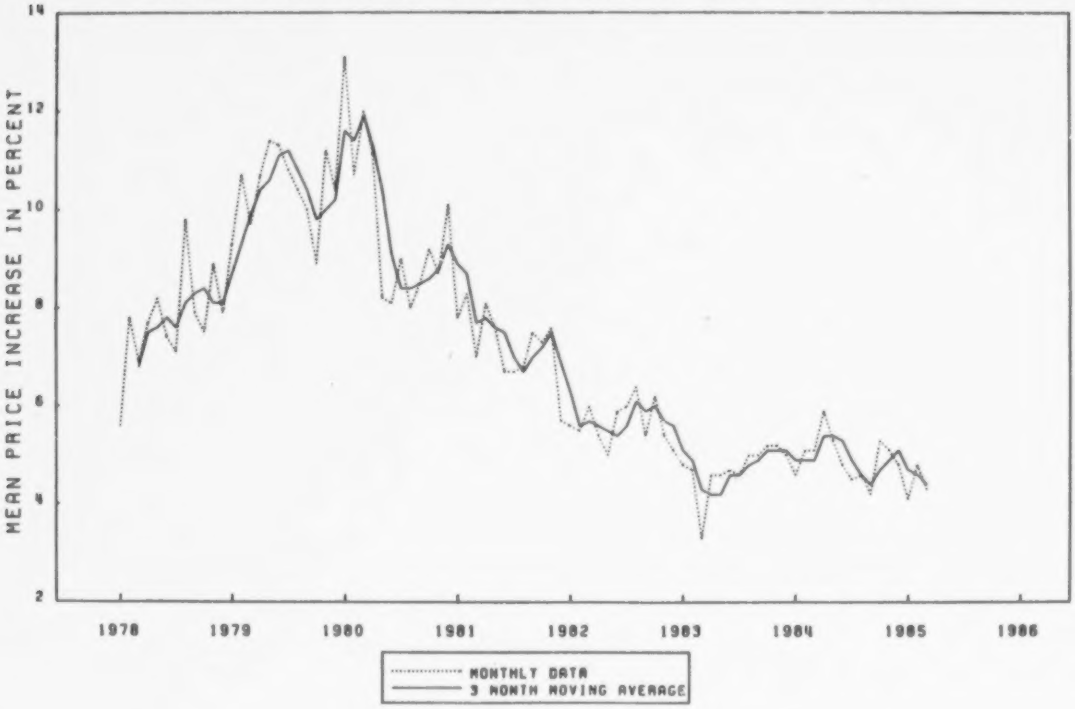


CHART 23 - HISTORICAL SERIES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

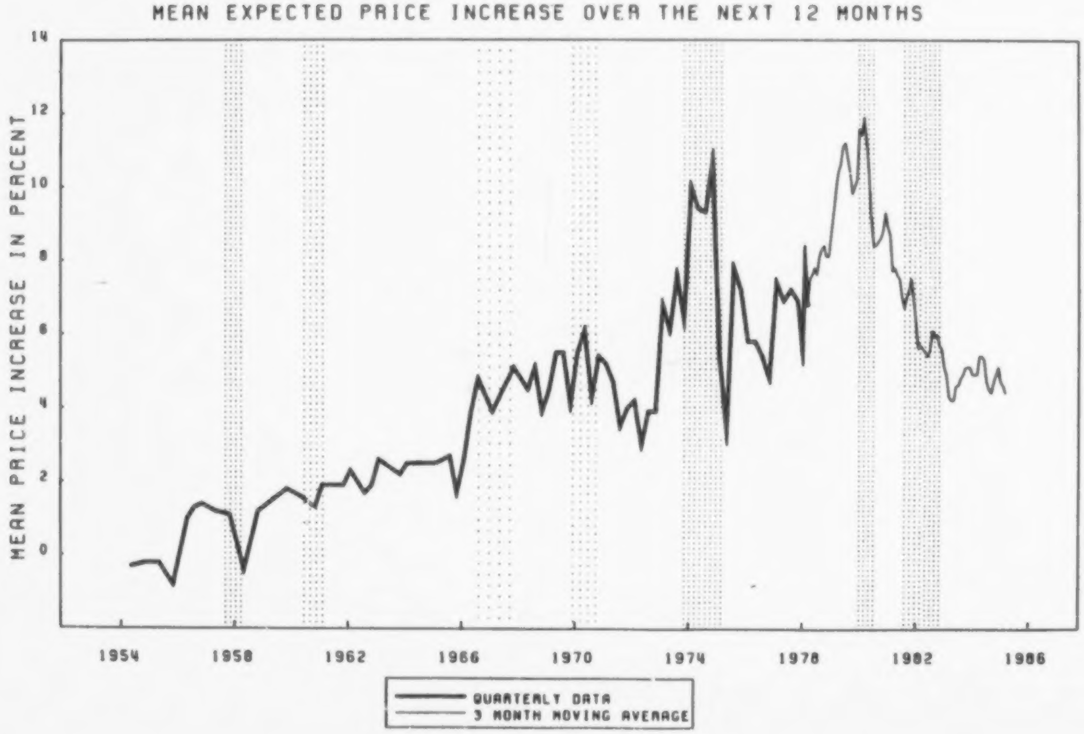


TABLE 23

EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
SAME OR DOWN	24%	19%	19%	19%	23%	24%	24%	22%	23%	25%	26%	25%	26%
WILL GO UP BY:													
1-2%	14	13	15	14	13	18	16	13	14	13	16	14	15
3-4%	16	17	15	16	17	15	19	15	17	17	20	19	19
5%	15	15	20	18	20	18	14	18	18	16	15	15	15
6-9%	10	12	11	11	8	6	8	9	6	9	6	6	6
10-14%	11	11	9	13	8	8	8	10	9	9	7	10	9
15% or more	5	8	6	4	5	5	4	7	7	5	4	6	6
DK how much up	4	3	4	4	3	5	4	4	4	4	4	4	4
DK,NA	1	2	1	1	3	1	3	2	2	2	2	1	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	5.1	5.9	5.3	4.8	4.5	4.6	4.2	5.3	5.1	4.8	4.1	4.8	4.3
VARIANCE	55	57	49	27	33	46	36	53	47	44	36	51	34
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

* : Less than half of one percent.

CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

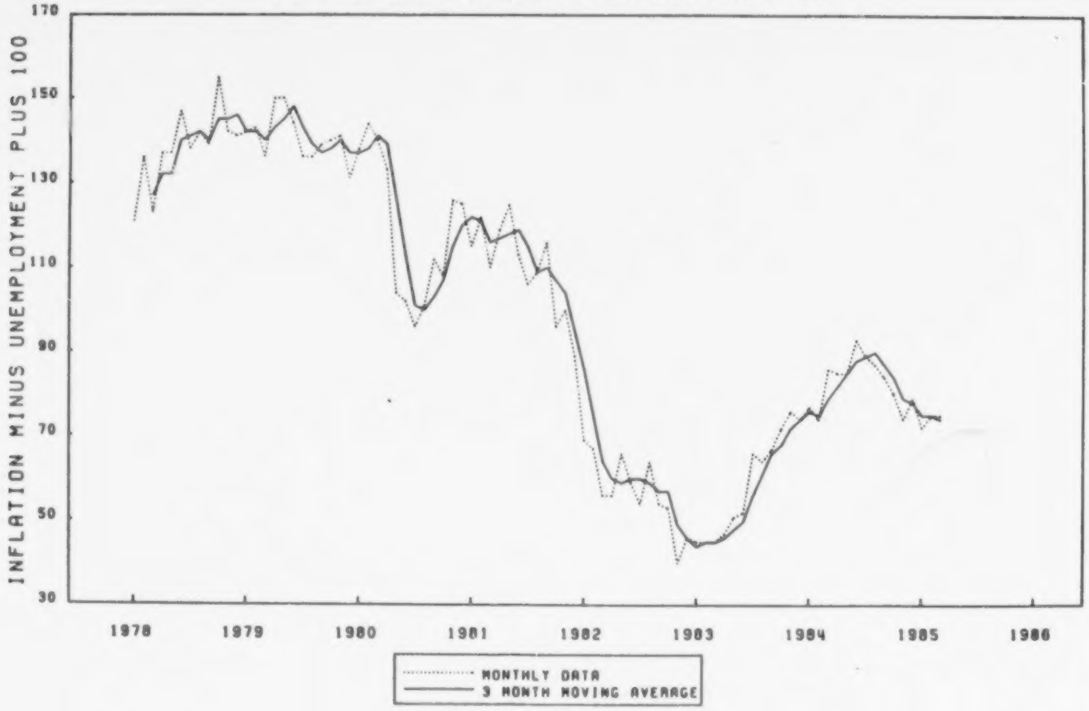


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

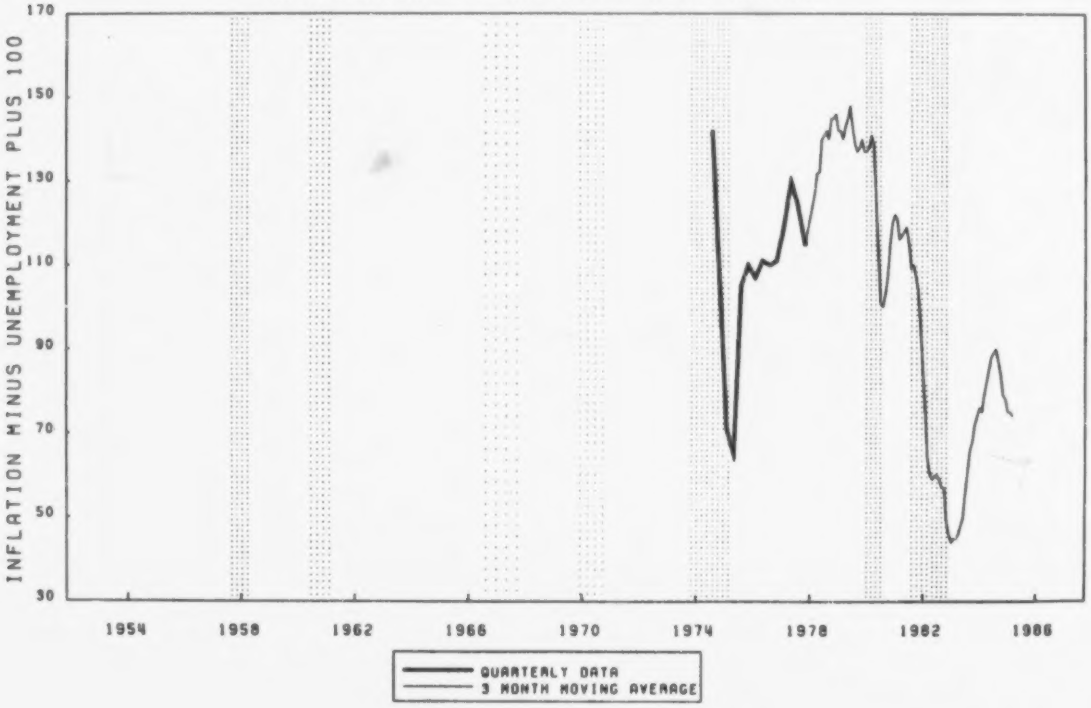


TABLE 24

UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
UNEMPLOYMENT	52%	53%	54%	51%	51%	52%	54%	55%	59%	56%	60%	58%	59%
BOTH EQUALLY SERIOUS	7	7	6	3	7	6	5	8	7	6	6	5	5
INFLATION	38	38	39	44	40	39	38	35	33	35	32	33	34
DK,NA	3	2	1	2	2	3	3	2	1	3	2	4	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

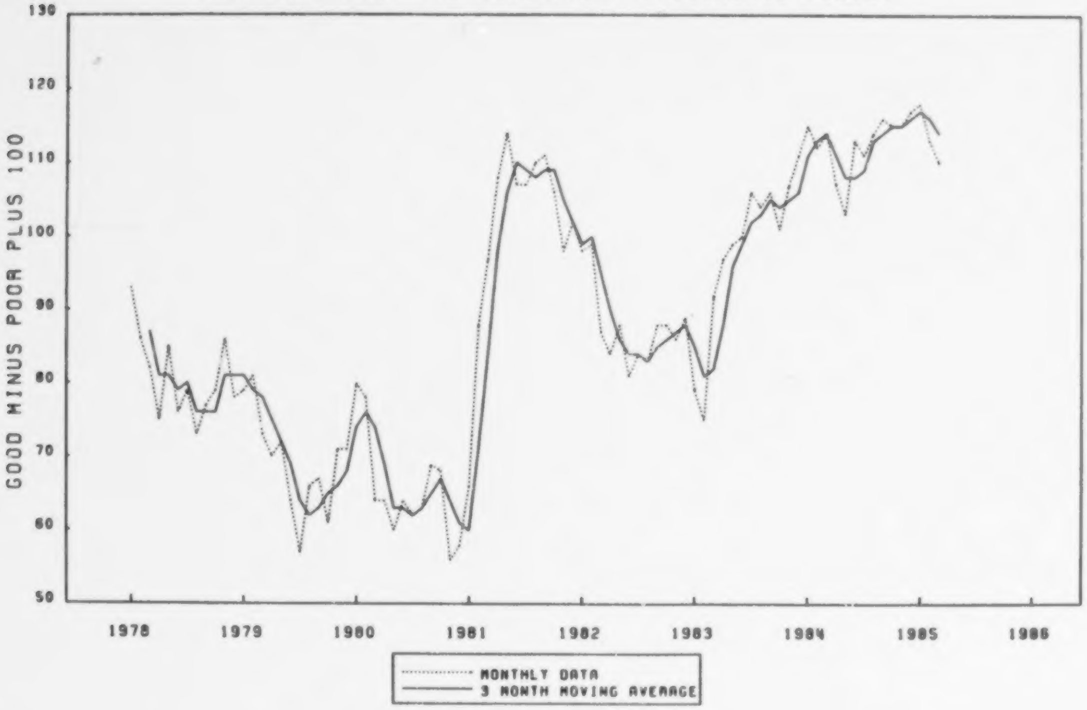


CHART 25 - HISTORICAL SERIES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

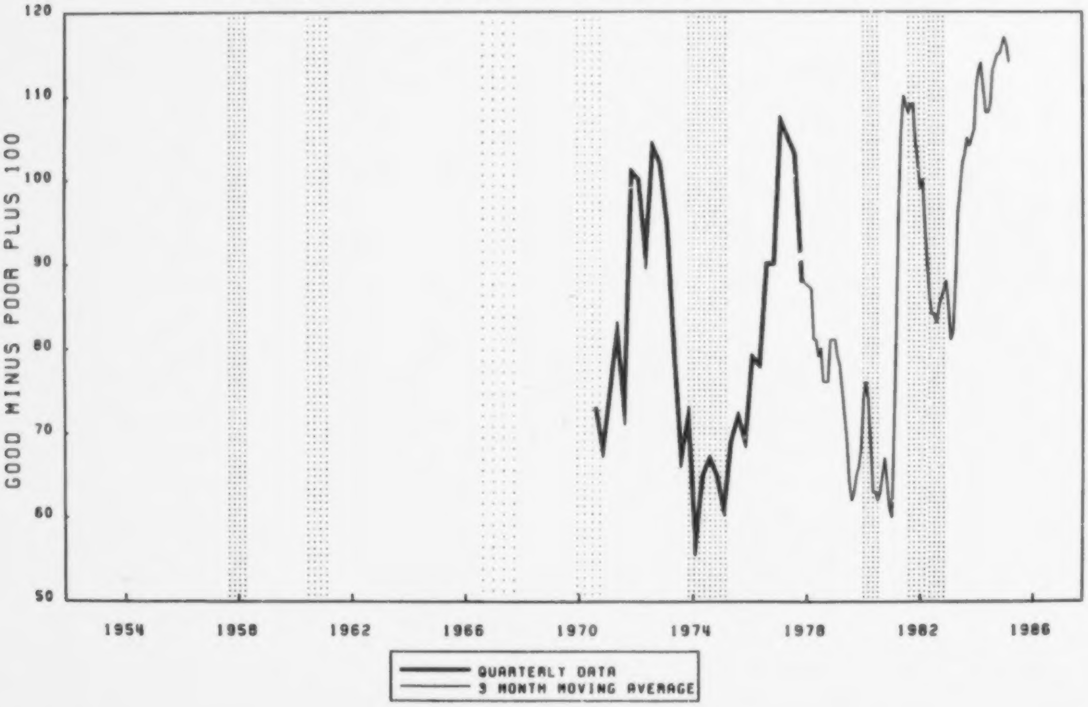


TABLE 25

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
A GOOD JOB	33%	27%	25%	31%	30%	33%	35%	36%	32%	33%	34%	33%	32%
ONLY FAIR	47	50	52	49	48	46	44	41	50	49	49	46	43
A POOR JOB	19	20	22	18	19	19	19	21	17	16	16	20	22
DK,NA	1	3	1	2	3	2	2	2	1	2	1	1	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

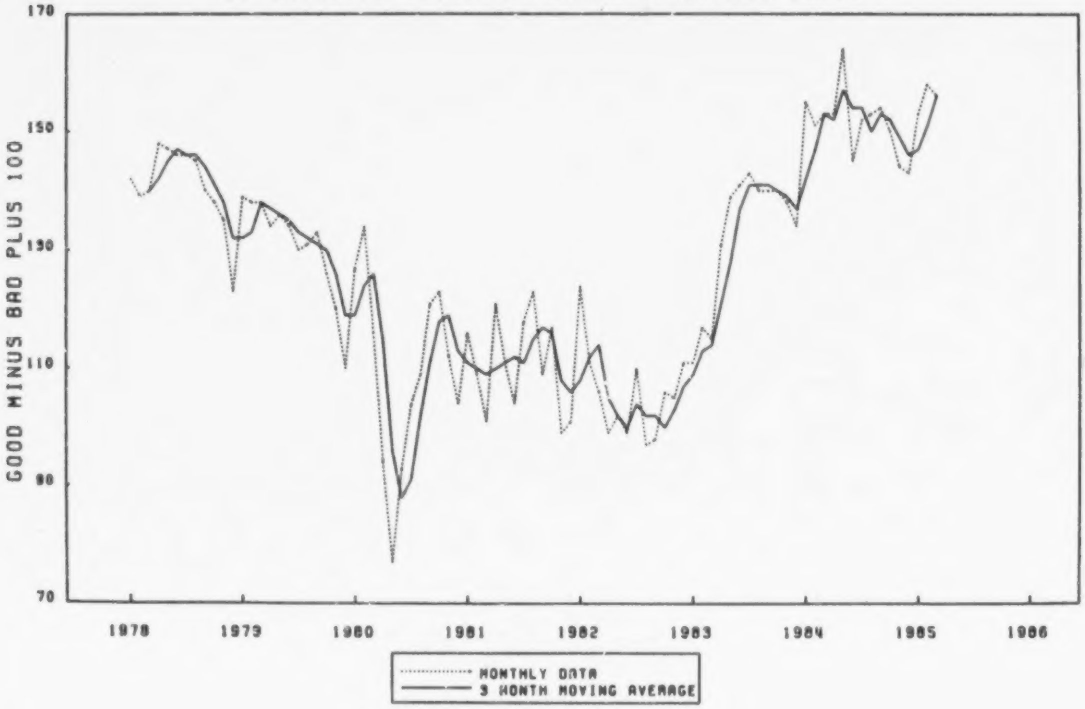


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

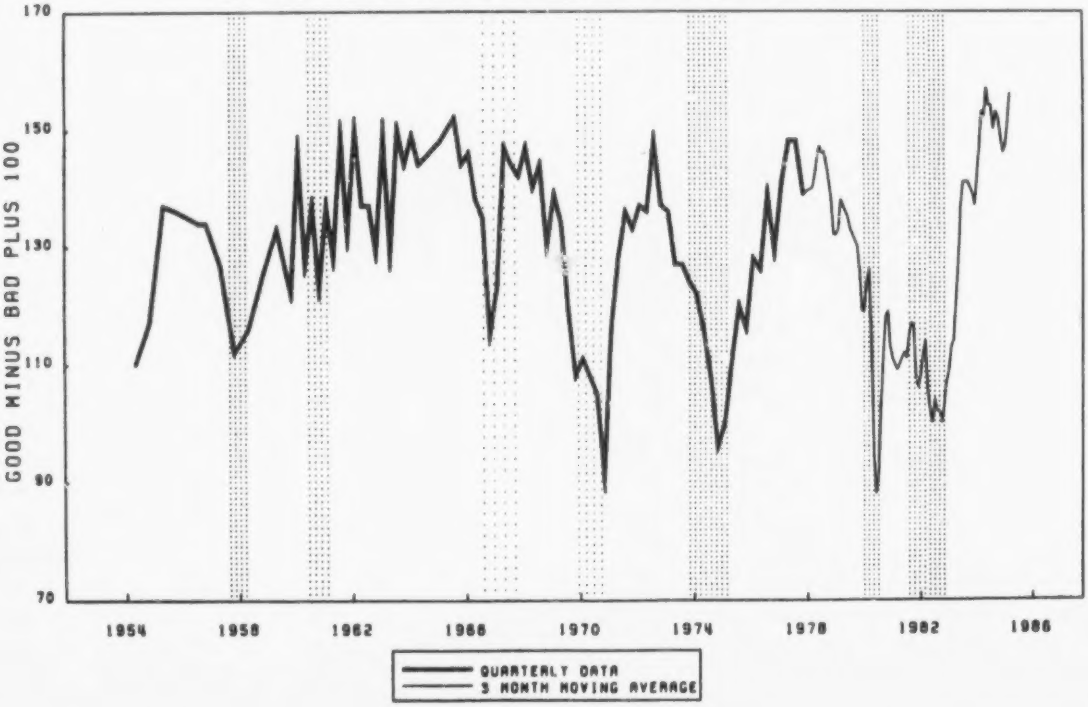


TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
GOOD TIME TO BUY	72%	72%	77%	67%	71%	72%	72%	70%	67%	67%	73%	75%	74%
UNCERTAIN, DEPENDS	9	9	10	11	10	9	10	10	10	9	7	8	8
BAD TIME TO BUY	19	19	13	22	19	19	18	20	23	24	20	17	18
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

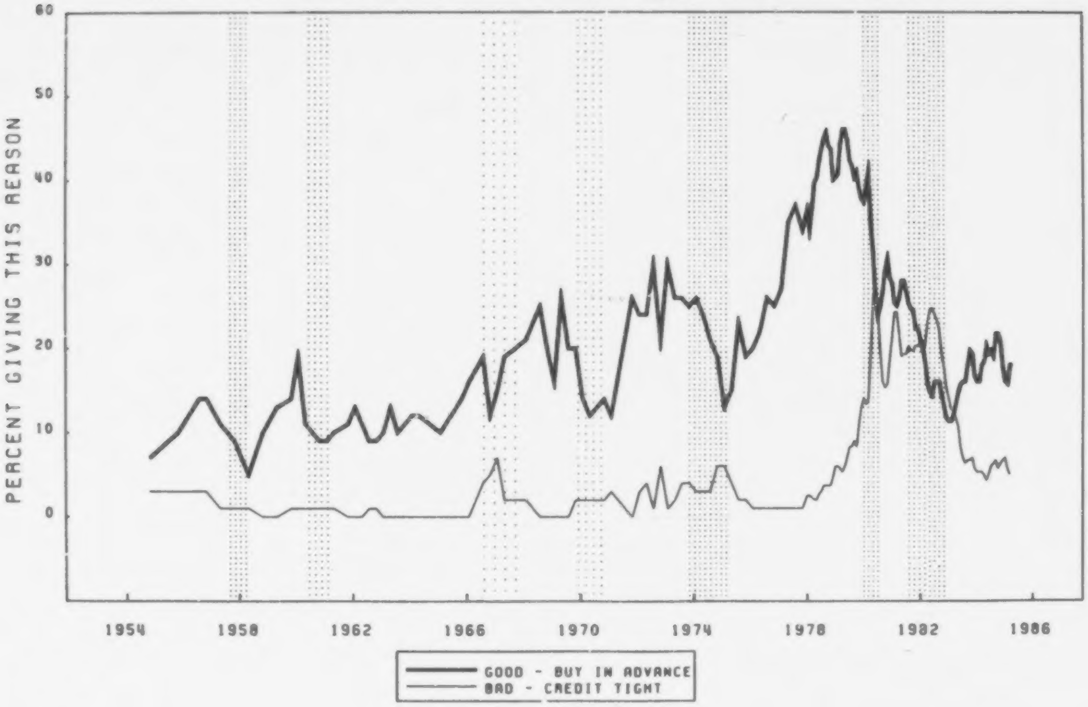


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

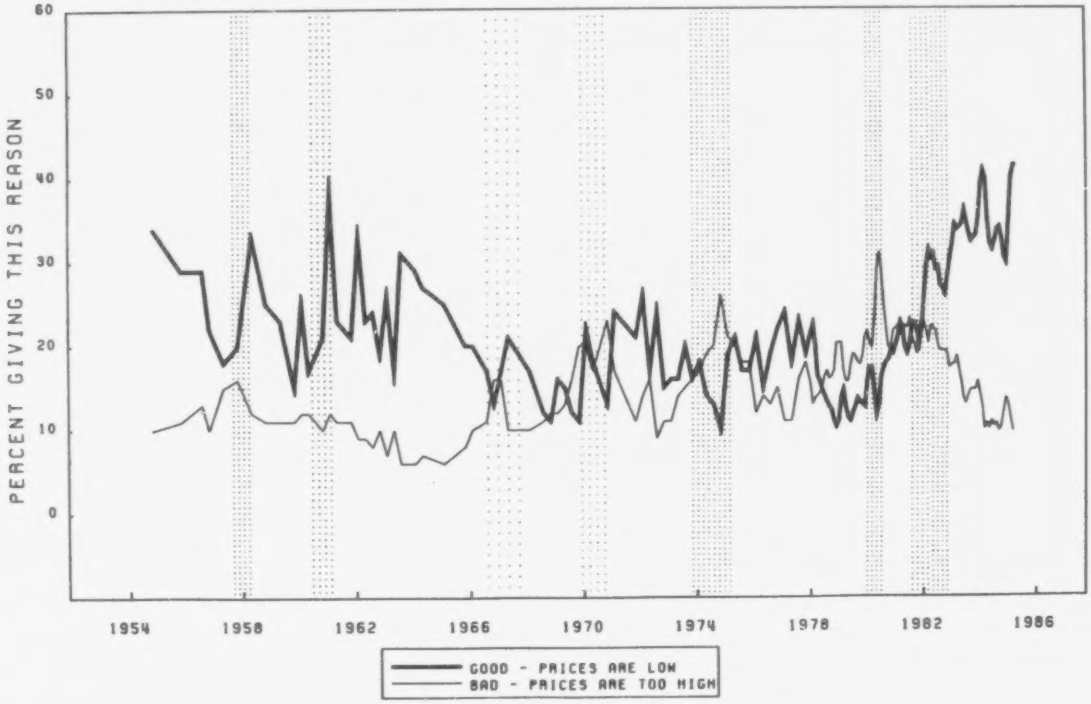


TABLE 27

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	35%	30%	31%	33%	33%	35%	34%	29%	28%	32%	45%	43%	36%
Prices won't come down; are going higher	19	20	22	16	21	20	24	21	17	15	16	16	22
Interest rates low; credit is easy	10	14	11	11	10	8	8	11	11	10	11	11	10
BAD TIME TO BUY:													
Prices are high	10	12	8	13	10	9	10	12	14	15	10	9	10
Interest rates are high; credit is tight	3	5	5	5	8	6	6	5	8	7	6	4	5
Lack of purchasing power	9	6	5	7	5	7	7	7	7	7	10	6	7

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

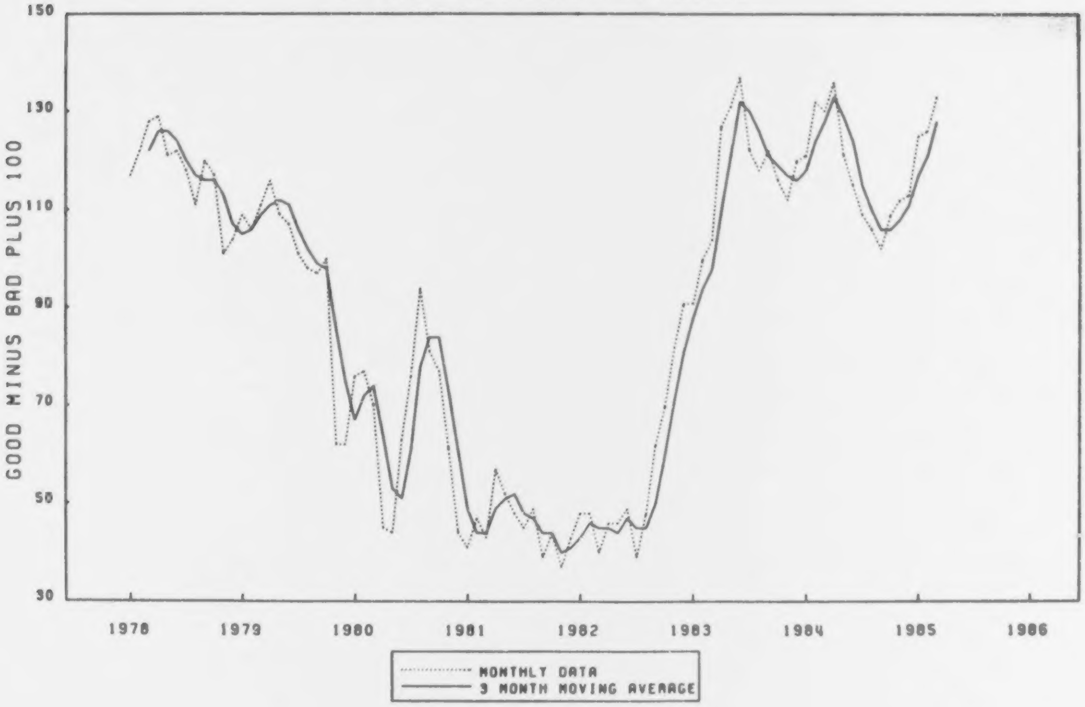


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

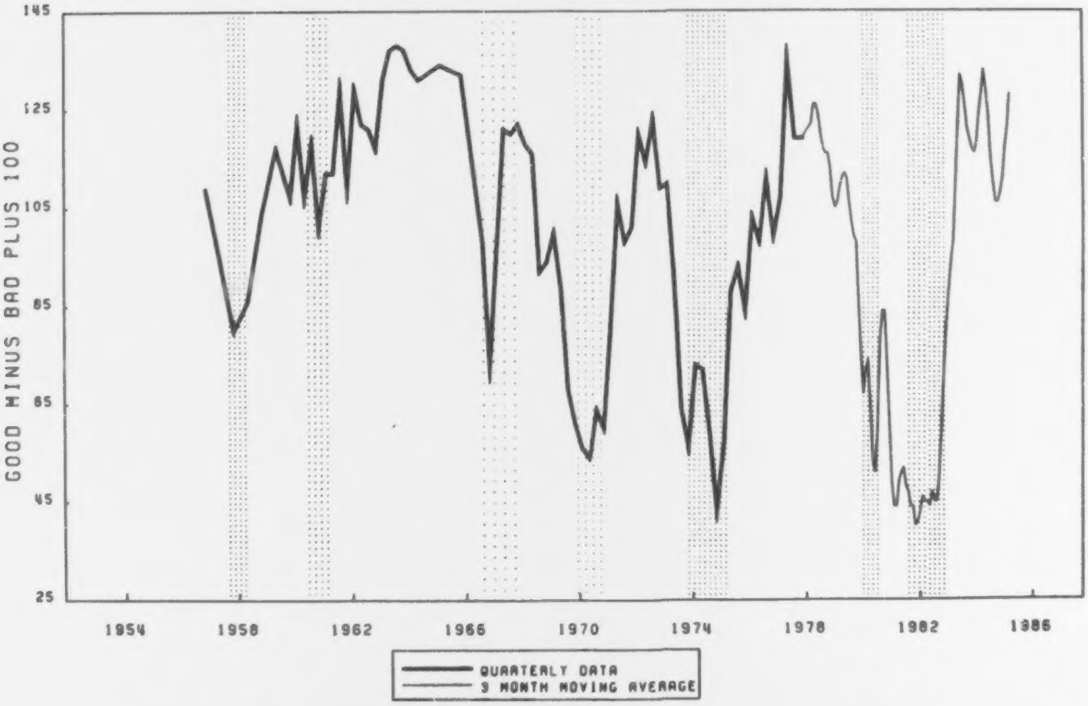


TABLE 28

BUYING CONDITIONS FOR HOUSES

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
GOOD TIME TO BUY	62%	66%	58%	55%	52%	50%	48%	52%	54%	54%	61%	61%	64%
UNCERTAIN, DEPENDS	6	4	5	5	5	6	6	5	4	5	3	4	5
BAD TIME TO BUY	32	30	37	40	43	44	46	43	42	41	36	35	31
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

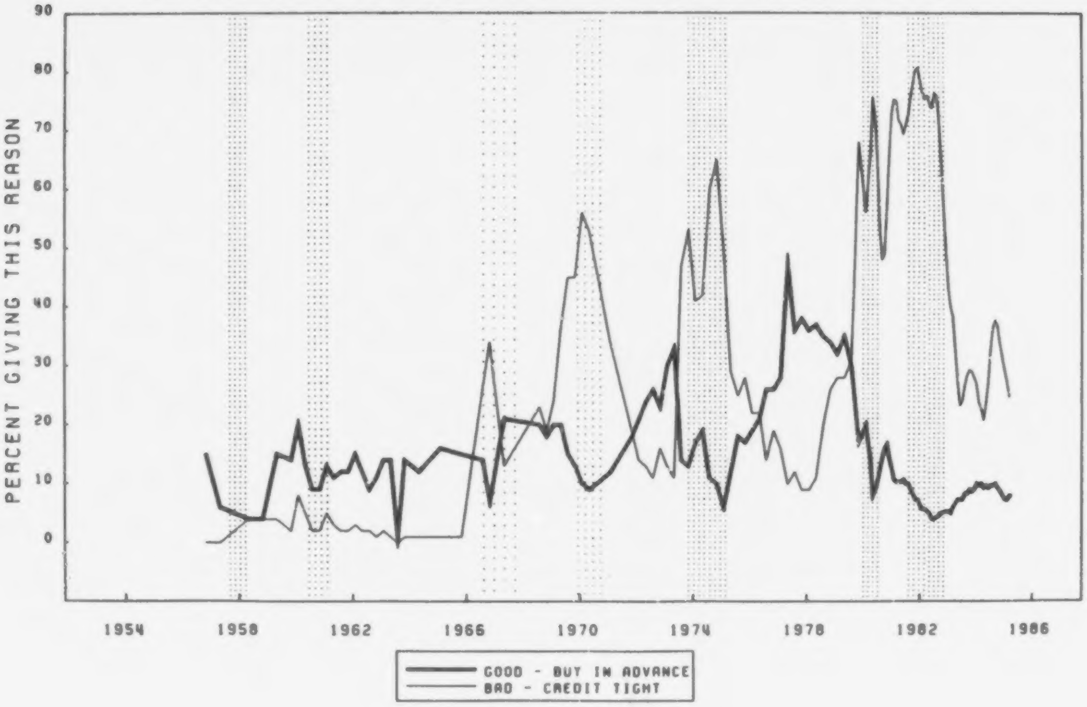


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

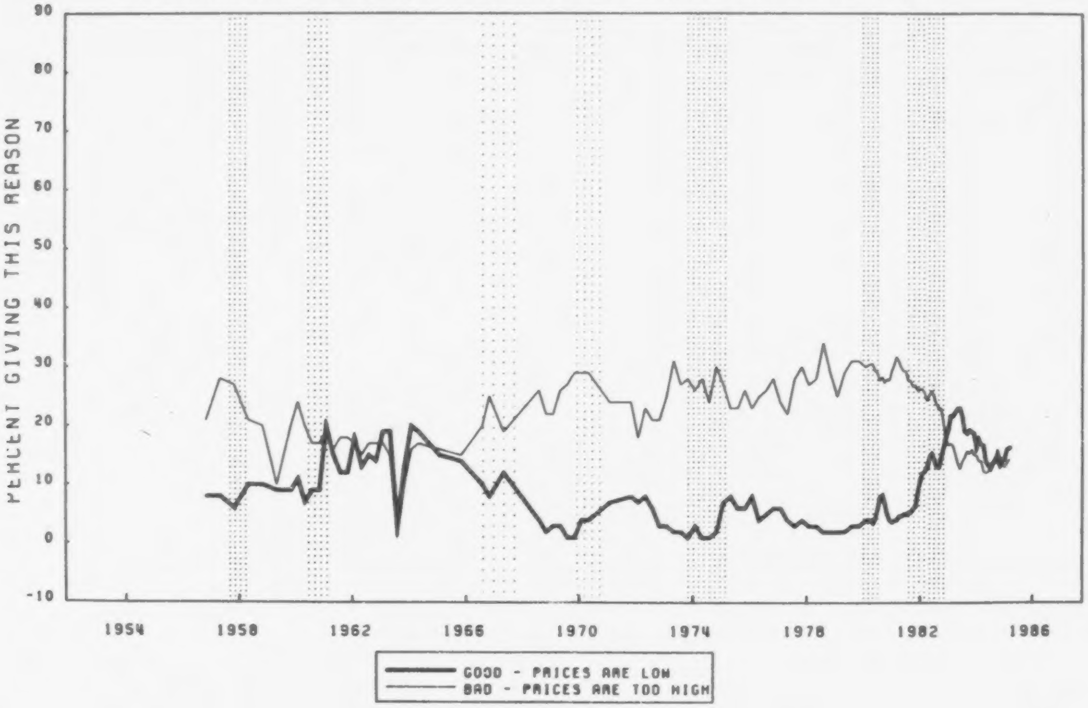


TABLE 29

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	15%	15%	12%	13%	13%	15%	14%	15%	11%	17%	15%	16%	18%
Prices won't come down; are going higher	10	10	9	9	11	9	10	9	7	8	7	7	10
Interest rates low; credit is easy	49	52	44	38	37	35	34	35	44	38	49	50	48
Good investment	8	6	5	8	5	4	7	5	7	5	6	6	7
BAD TIME TO BUY:													
Prices are high	13	11	12	14	12	16	16	16	12	13	14	14	15
Interest rates are high; credit is tight	22	20	29	33	36	40	37	33	31	30	27	25	22
Lack of purchasing power	11	10	12	10	11	11	11	10	13	13	12	11	9

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

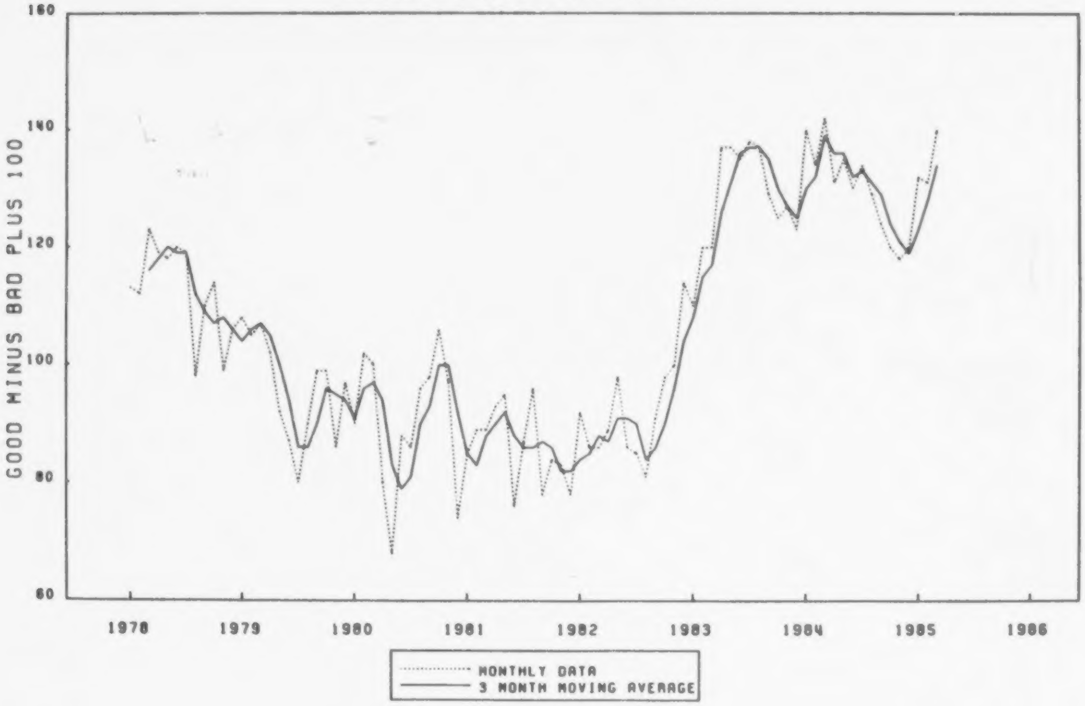


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

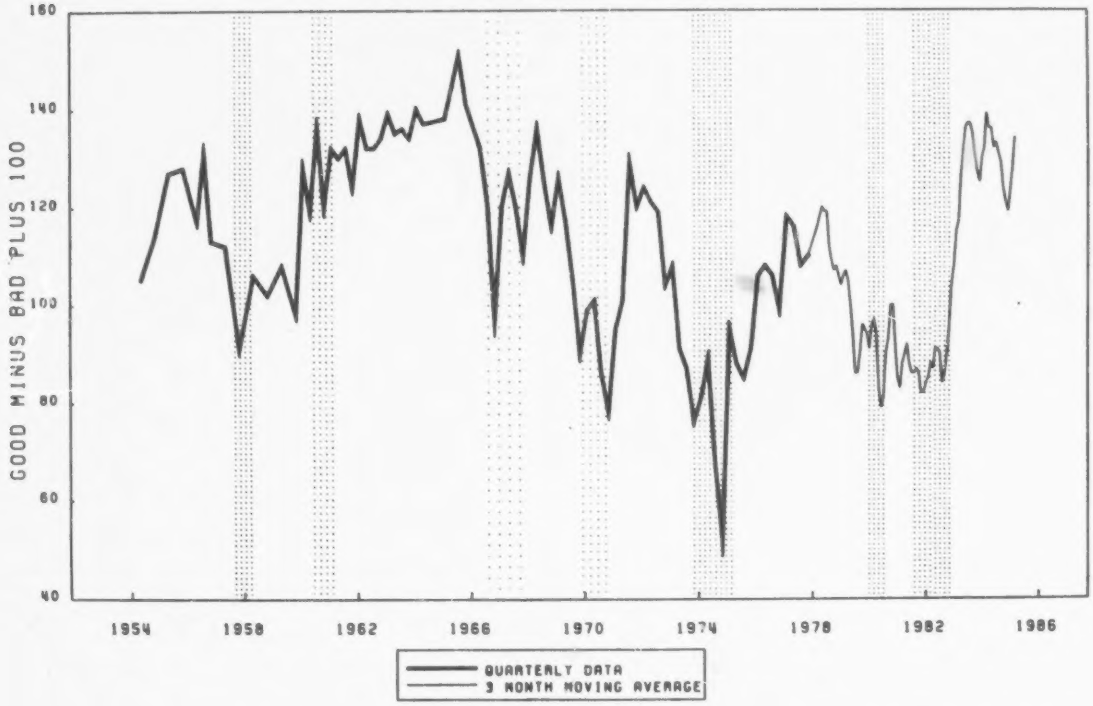


TABLE 30

BUYING CONDITIONS FOR CARS

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
GOOD TIME TO BUY	66%	60%	63%	60%	62%	59%	59%	54%	55%	55%	62%	61%	67%
UNCERTAIN; DEPENDS	10	11	9	10	10	11	6	12	8	10	8	9	6
BAD TIME TO BUY	24	29	28	30	28	30	35	34	37	35	30	30	27
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

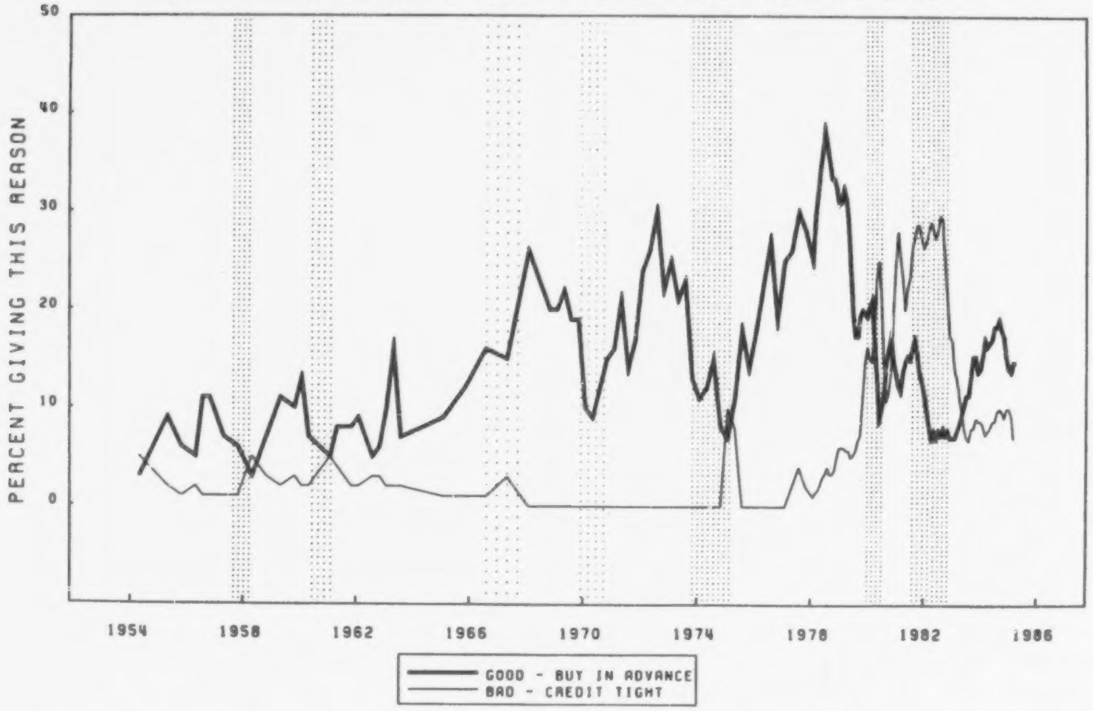


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

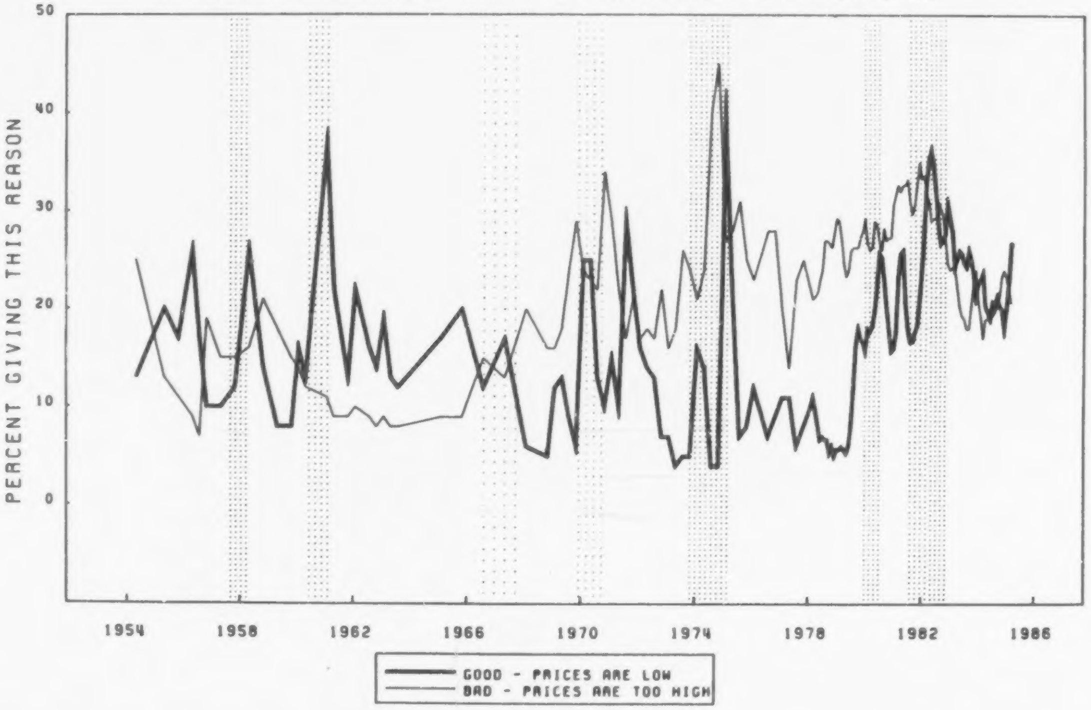


TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	23%	16%	20%	21%	21%	19%	24%	18%	18%	18%	24%	26%	30%
Prices won't come down; are going higher	17	16	17	18	20	17	20	17	15	14	13	14	17
Interest rates low; credit is easy	22	22	18	18	24	17	15	14	18	15	23	24	23
New fuel efficient models	1	1	3	1	1	2	1	2	*	2	*	1	1
BAD TIME TO BUY:													
Prices are high	17	22	18	20	20	19	22	23	25	24	21	21	20
Interest rates are high; credit is tight	6	9	9	8	9	12	9	8	10	12	8	8	5
Lack of purchasing power	5	4	5	4	4	5	6	6	8	7	7	6	6
Price of gas; shortages	1	*	*	*	*	1	*	*	*	*	*	*	*
Poor selection; quality	4	6	2	2	4	4	3	3	5	4	4	4	3

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

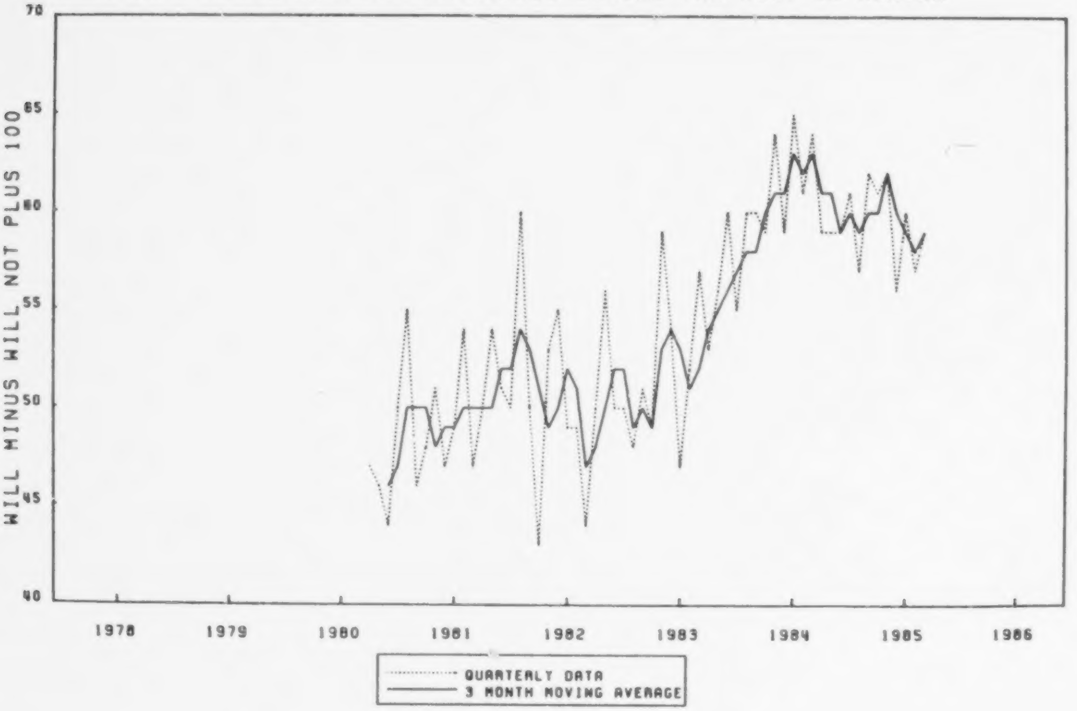


CHART 32 - HISTORICAL SERIES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

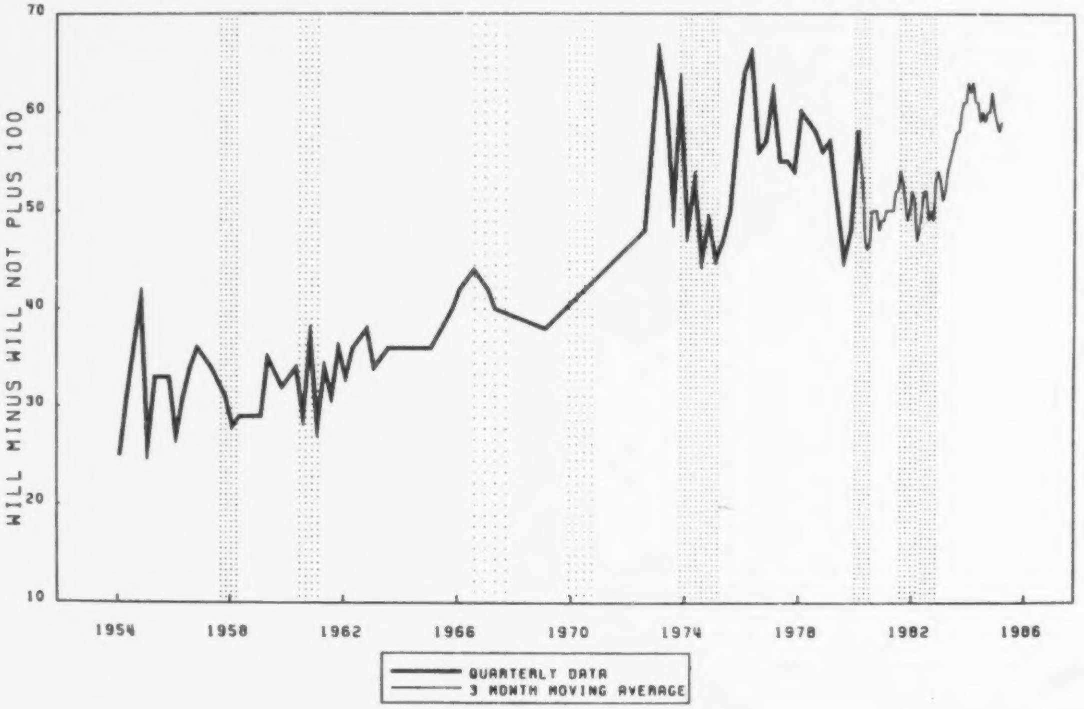


TABLE 32

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
PROBABLY WILL BUY	22%	21%	19%	20%	20%	21%	22%	21%	21%	19%	20%	19%	20%
CHANCES ARE EVEN	12	6	12	9	9	7	8	8	9	9	9	9	8
PROBABLY WILL NOT BUY	58	62	60	61	59	64	60	60	59	63	60	62	61
DK,NA	8	11	9	10	12	8	10	11	11	9	11	10	11
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	700	705	690	680	656	693	690	706	710	704	640	655	653

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
PROPORTION WITH CURRENT PURCHASE INTENTIONS:	34%	27%	31%	29%	29%	28%	30%	29%	30%	28%	29%	28%	28%
PURCHASE TYPE:													
Buy new	16	13	15	16	15	15	14	15	15	13	17	15	14
Buy used	17	12	14	11	12	11	13	12	13	13	11	11	13
Lease	1	1	2	1	2	1	2	2	1	1	1	1	1
DK,NA	*	1	*	1	*	1	1	*	1	1	*	1	*
PURCHASE TIMING:													
Next 3 months	2	7	3	2	7	3	1	6	5	3	5	4	2
Next 4-6 months	10	6	9	8	6	5	8	6	7	6	8	9	8
Next 7-9 months	8	6	7	9	3	4	5	7	7	10	7	8	11
10 months or more	8	4	6	4	7	8	10	4	8	7	5	4	5
DK,NA	6	4	6	6	6	8	6	6	3	2	4	3	2

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985
PROPORTION WITH FUTURE PURCHASE INTENTIONS:	58%	62%	60%	61%	59%	64%	60%	60%	59%	63%	60%	62%	61%
PURCHASE TYPE:													
Would buy new	32	34	33	36	35	33	34	31	33	34	35	32	35
Would buy used	25	27	26	24	22	29	25	27	25	28	25	28	25
DK,NA	1	1	1	1	2	2	1	2	1	1	*	2	1
PURCHASE TIMING:													
Less than 2 years	7	10	5	7	5	8	5	7	7	7	8	9	6
2 years	19	20	22	21	18	25	21	21	20	23	18	19	21
3 years	9	9	9	8	10	8	11	10	9	10	9	10	10
4 years or more	16	17	18	17	18	15	17	16	17	15	19	17	19
Indefinite	3	1	2	2	3	3	2	1	2	3	2	2	2
DK,NA	4	5	4	6	5	5	4	5	4	5	4	5	3

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

CHART 1 - RECENT CHANGES

THE INDEX OF CONSUMER SENTIMENT

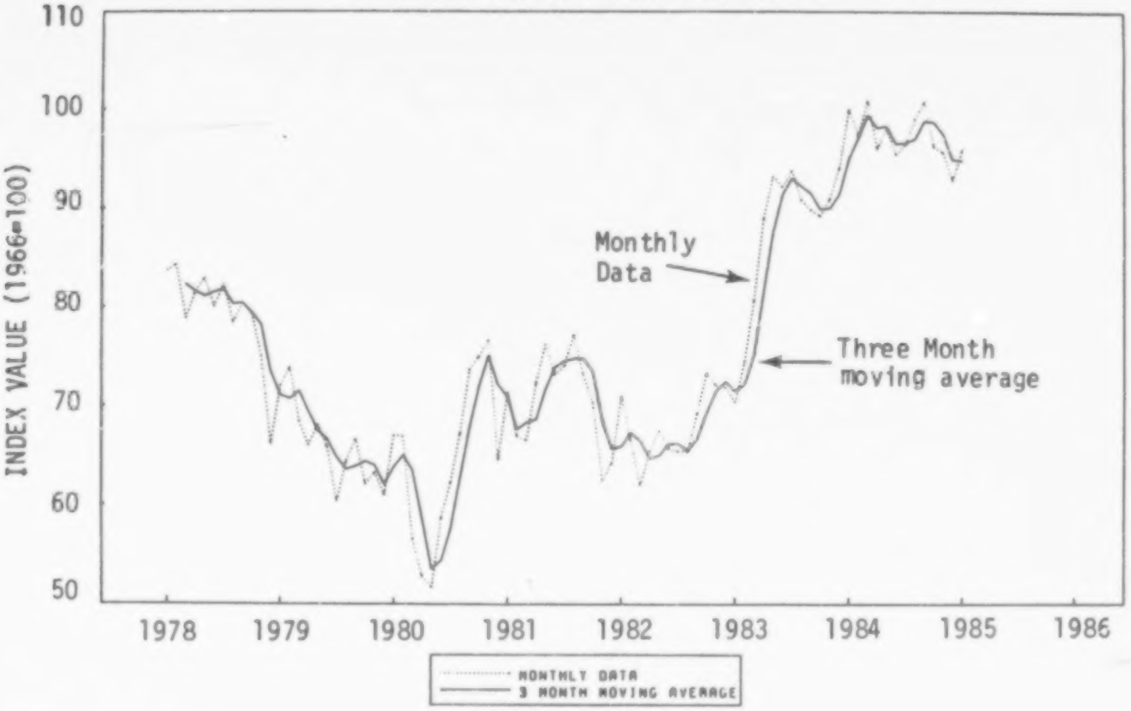
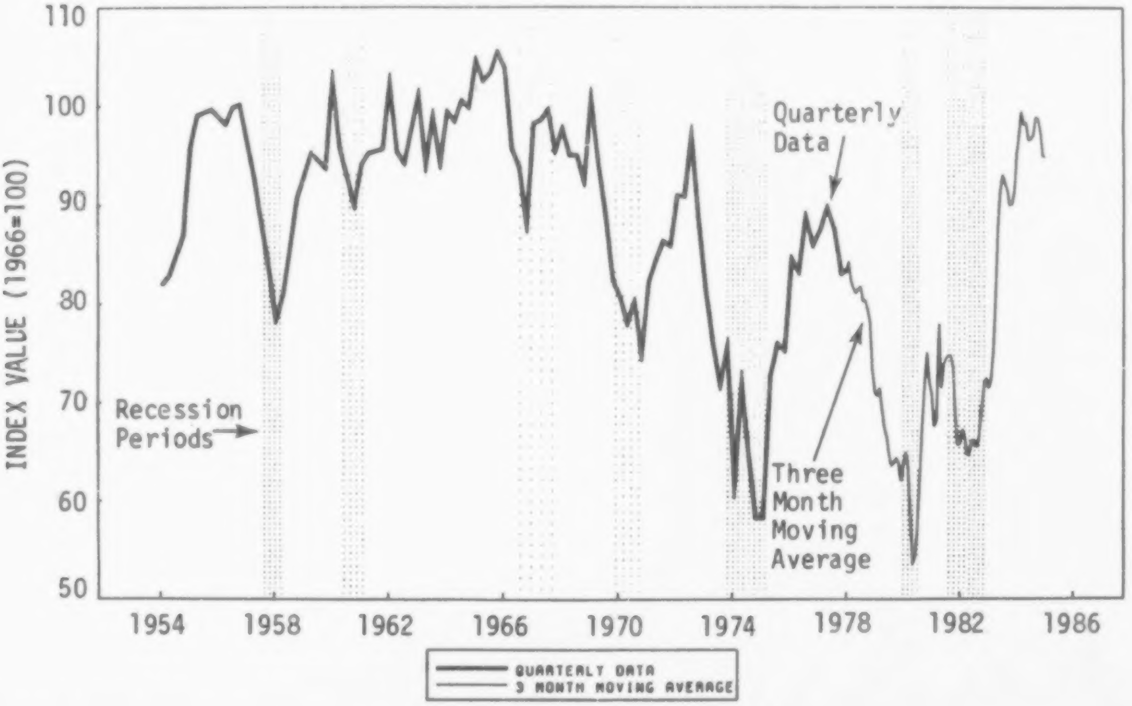


CHART 1 - HISTORICAL SERIES

THE INDEX OF CONSUMER SENTIMENT



DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES: November 1948 - October 1949
July 1953 - May 1954
August 1957 - April 1958
April 1960 - February 1961
June 1966 - November 1967*
December 1969 - November 1970
November 1973 - March 1975
January 1980 - July 1980
July 1981 - November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

Reported Percentages	Number of Interviews		
	700[b]	1,400[c]	2,100[d]
50	4.2	3.2	2.8
30 or 70	3.8	2.9	2.5
20 or 80	3.4	2.6	2.2
10 or 90	2.5	1.9	1.6
5 or 95	1.8	1.4	1.2

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

u7475-2A

April 5, 1985

UNIVERSITY OF MICHIGAN

MARCH 1985 MONTHLY REPORT

Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

INDEX UNCHANGED

- In the March 1985 survey, the Index of Consumer Sentiment was 93.7, identical to the February reading, and below the cyclical peak of 101.0 recorded in March 1984.

- Among families with incomes of $25,000 or more, the Index stood at 108.8 in March 1985, up from 107.4 in February, and below the cyclical peak of 114.2 recorded in March 1984.

- The proportion of American families holding favorable car buying attitudes rose to 67 percent in the March 1985 survey, the highest level ever recorded in these surveys. The prior record level—66 percent—was recorded in the March 1984 survey as well as in the Spring of 1983. The major reason for this resurgence in favorable car buying attitudes has been the widespread availability of price discounts, reported by 30 percent of all families in March, the highest level since the recession year of 1982.

- Favorable home buying attitudes rose to 64 percent in the March survey from 54 percent three months earlier, and 62 percent one year earlier. The improvement since year-end 1984 in home buying attitudes has been mainly due to the availability of lower mortgage interest rates, reported by 48 percent in March, up from 38 percent in December. Attitudes toward buying conditions for large household durables remained very favorable in the March 1985 survey. Among all families, 75 percent favorably rated buying conditions for durables in the March survey, up from 67 percent in December, and 72 percent one year earlier.

- A modest decline in personal financial optimism was recorded in the March survey, although overall financial evaluations remained above the peak levels recorded in the late 1970s. Among all families, 40 percent reported that their financial situation had improved during the past year (down from 48 percent one year earlier), and 36 percent expected financial progress during the year ahead (down from 44 percent in March 1984). This decline in financial optimism has been due to smaller expected income increases.

- The majority of families in the March 1985 survey reported both that the national economy improved during the past year, and that they expected good times financially in the economy as a whole during the year ahead. This positive economic outlook incorporates the view that the rate of economic growth would slow during the year ahead, which will prevent any further declines in the unemployment rate.

- The proportion of families that expected interest rate increases rose to 45 percent in the March 1985 survey, up from 35 percent one month earlier. Just 19 percent of all families expected interest rates to decline in the March 1985 survey, down from 26 percent in February.

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Spring Rebound in Buying Attitudes

Attitudes toward buying conditions improved in the March 1985 survey, and reestablished the record levels first recorded two years earlier. It was in the Spring of 1983 that attitudes toward buying conditions first reached record favorable levels. Following small declines during the balance of 1983, attitudes toward buying conditions rebounded to peak levels by the Spring of 1984. Small declines were again recorded in buying attitudes during the second half of 1984, and attitudes in early 1985 have again rebounded to peak levels. The major reason for the pattern of spring resurgences and declines later in the year has been changes in the frequency of reports of discounted prices and reduced interest rates.

Favorable attitudes toward market conditions for the purchase of vehicles were held by more families in the March 1983 survey than in any prior survey during the past thirty years. During the past three months the proportion of families that held favorable car buying attitudes rose from 55 percent in December 1984 to 67 percent in March 1985, just above the earlier peak of 66 percent recorded in both March 1984, and in the Spring of 1983.

When asked to explain their views on buying conditions for vehicles, more families mentioned the availability of price discounts in the March 1985 survey than since the recession year of 1982. Among all families, 30 percent referred to the availability of price discounts on vehicles, up from 18 percent three months earlier, and 23 percent one year earlier. References to interest rates on vehicle loans were also more favorable in the March 1985 survey. Among all families, just 5 percent registered complaints about high interest rates, down from 12 percent three months earlier. References to the availability of lower interest rates on vehicle loans were made by 23 percent of all families in March, up from 15 percent three months earlier.

An important factor in the recent increase in reports of price discounts has been the ending of import quotas on Japanese vehicles. In the March 1985 survey, twelve percent of all families specifically mentioned the impact on vehicle prices from the ending of import quotas. Respondents that spontaneously mentioned the role of import quotas in their evaluations had more favorable car buying attitudes and less favorable unemployment expectations than other respondents. On balance, the favorable and unfavorable impacts tended to cancel in the aggregate, yielding nearly equal overall sentiment levels (see Table A).

Favorable attitudes toward buying conditions for homes were held by 64 percent of all families in the March 1985 survey, up from 54 percent three months earlier and above the 62 percent recorded one year earlier. The Spring 1985 rebound in home buying attitudes, similar to the Spring rebound one year earlier, completely offset the year-end declines. When asked to explain their views, more families referred to the availability of reduced mortgage rates in March than three months earlier (48 percent, up from 38 percent), and families less frequently complained about high mortgage rates (22 percent, down from 30 percent). References to home prices remained on balance favorable in the March 1985 survey. Among all families, 18 percent referred to the availability of reduced home prices, compared with 15 percent that complained about high prices. The recent increase in the expected level of future interest rates was reflected only in small part by increases in the appeal of borrowing-in-advance of rising interest rates. Since year-end 1984, the proportion of families that have reported borrowing-in-advance rationales has risen from 6 to 10 percent (see Table B).

Favorable attitudes toward buying conditions for large household durables were held by 74 percent of all families in the March 1983 survey, up from 67 percent three months earlier and 72 percent one year earlier. The primary factor underlying these very positive evaluations has been favorable perceptions of market prices for durables. Among all families, 36 percent mentioned the availability of price discounts in the March 1985 survey, just above the year earlier figure of 35 percent. Only 10 percent of all families in the March 1985 survey mentioned high prices as a cause for postponement of purchases.

Financial Prospects

The proportion of families that reported improvement in their personal financial situation fell to 40 percent in the March 1985 survey, from 48 percent one year earlier. While fewer families reported financial progress, the proportion of families that reported that their financial situation had remained unchanged on balance rose to a greater extent (26 to 32 percent) than the proportion that reported financial reversals (26 to 28 percent). In explaining how their financial situation had changed during the past year, fewer families reported increases in income in March 1985 than one year earlier (34, down from 39 percent), and more families reported decreases in income (17, up from 15 percent). Despite these small declines during the past year, consumers' evaluations of their personal financial situation still remained more favorable than they were at their peak in the late 1970s.

In a similar fashion, consumers' expectations for future improvement in their financial situation declined by a small amount in the March 1985 survey from one year earlier (36, down from 44 percent), while more families expected their financial situation to remain on balance unchanged during the year ahead (49, up from 44 percent). Just 13 percent of all families in the March 1985 survey expected their financial situation to worsen during the year ahead.

Underlying the small decline in financial prospects has been lower expected increases in family incomes. Among all families in the March 1985 survey, 55 percent expected income increases, down from 66 percent in March of 1984. The proportion of families that expected overall income declines rose from 7 to 15 percent during the past year, while the proportion that expected no change in their income rose from 26 to 29 percent.

Business Conditions

The majority of families in the March 1985 survey thought that the national economy had improved during the past year, and the balance of opinion points toward continued economic growth during the year ahead. Evaluations of both current and prospective economic conditions, however, indicate a slowing growth rate. Among all families in the March 1985 survey, 57 percent reported that current economic conditions were an improvement over those that prevailed one year earlier, down from 67 percent in March 1984. Improvement in the economy during the year ahead was expected by 29 percent of all families in March 1985, down from 38 percent in March 1984. Just 15 percent of all families expected declines in the overall economy in the March 1985 survey. The majority of families expected overall economic conditions during the year ahead to remain similar to present conditions (53 percent).

Despite the slowing rate of growth, the majority of families expected the persistence of good times financially in the economy as a whole during the next 12 months. In the March 1985 survey, 62 percent expected good times financially, somewhat below the year earlier reading of 69 percent, but still above the peaks recorded in the late 1970s.

The proportion of families that expected interest rate increases during the year ahead rose sharply in the March 1985 survey, to 45 percent from 35 percent one month earlier. This one month increase offset the year-end 1984 decline, and restored the proportion to last year's level. Just 19 percent of all families expected interest rate declines in the March 1985 survey, down from 30 percent three months earlier, but above the 13 percent recorded in March 1984.

Since the proportion of families that expected declines in the unemployment rate reached its cyclical peak in the Spring of 1983, the proportion holding favorable expectations has decline in a slow and steady fashion. In the March 1985 survey, 23 percent of all families expected the unemployment rate to decline, down from 38 percent one year earlier, and the peak of 42 percent in early 1983. Increases in the unemployment rate were more frequently expected in the March 1985 survey, rising to 29 percent from 16 percent one year earlier. The near majority expected the unemployment rate to remain largely unchanged during the year ahead (47 percent).

Consumers expected the annual rate of inflation to average 4.3% in the March 1985 survey, down from 4.8% one month earlier, and 5.1% one year earlier. Confidence in government economic policies to control inflation and unemployment remained near peak levels in the March survey. Among all families, 32 percent favorably rated government economic policies in March 1985, just below the 33 percent recorded both three months and one year earlier. Unfavorable ratings of government economic policies were given by 22 percent of all families in March 1985, up from 16 percent in December, and 19 percent one year earlier.

* * *

The March 1985 survey was conducted between March 1 and March 28, and included 653 completed interviews.

TABLE A

REFERENCES TO JAPANESE IMPORT QUOTAS IN EVALUATIONS OF CAR BUYING CONDITIONS

(March 1985)

	Japanese Import Quotas		
	Mentioned	Not Mentioned	Total
All Families	12%	88%	100%
Index of Consumer Sentiment	92.3	93.9	93.7
Car Market			
Good	85%	65%	67%
Pro-con	1	6	6
Bad	14	29	27
Total	100%	100%	100%
(G-B)+100	171	136	140
Unemployment Expectations			
Decrease	20%	23%	23%
Same	34	50	48
Increase	46	27	29
Total	100%	100%	100%
(D-I)+100	74	96	94

TABLE B

REFERENCES TO INTEREST RATES IN SUPPORT OF FAVORABLE BUYING CONDITIONS

	Durables		Houses		Vehicles	
Survey Date	Low Rates	BiA Rates	Low Rates	BiA Rates	Low Rates	BiA Rates
8301	7	*	33	4	27	2
8302	7	1	35	5	34	1
8303	7	1	38	6	33	1
8304	12	2	46	8	38	2
8305	12	1	49	6	38	2
8306	13	3	49	12	38	2
8307	14	2	40	9	34	3
8308	11	1	33	11	30	3
8309	9	3	35	12	25	3
8310	6	1	29	9	17	2
8311	6	2	29	11	20	2
8312	6	1	30	11	16	3
8401	8	1	33	8	20	3
8402	9	2	38	12	19	3
8403	8	2	36	13	19	3
8404	8	6	29	23	15	7
8405	7	4	24	20	14	4
8406	7	4	21	17	12	6
8407	5	5	21	16	16	8
8408	6	2	22	13	12	5
8409	6	2	22	12	11	4
8410	7	4	24	11	10	4
8411	8	3	33	11	15	3
8412	8	2	32	6	12	3
8501	10	1	42	7	21	2
8502	9	2	42	8	23	1
8503	8	2	38	10	21	2

NOTE: The proportions given above provide greater detail than is reported in the monthly tables (see Tables 27, 29 and 31). The monthly tables report the total proportion of respondents that made favorable refererces to credit conditions. The figures above divide this total into those respondents that referred to the current availability of low interest rates, and those that referred to buying-in-advance of rising interest rates.

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SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

TABLES AND CHARTS

APRIL 1985

The April 1985 survey is the 199th in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

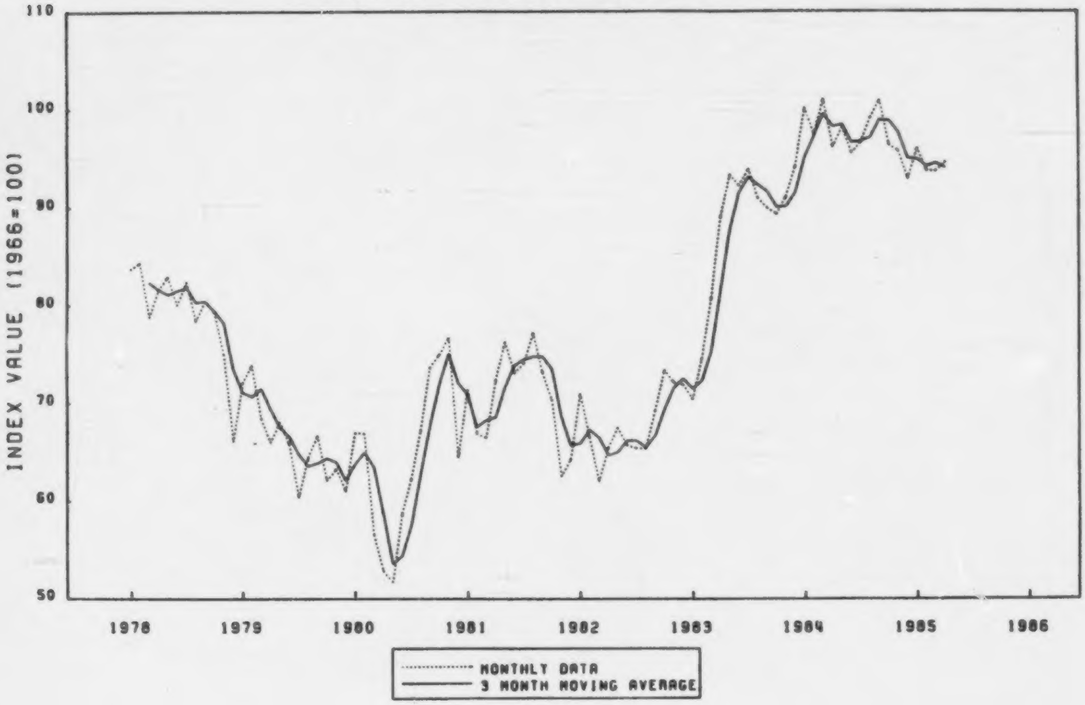


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

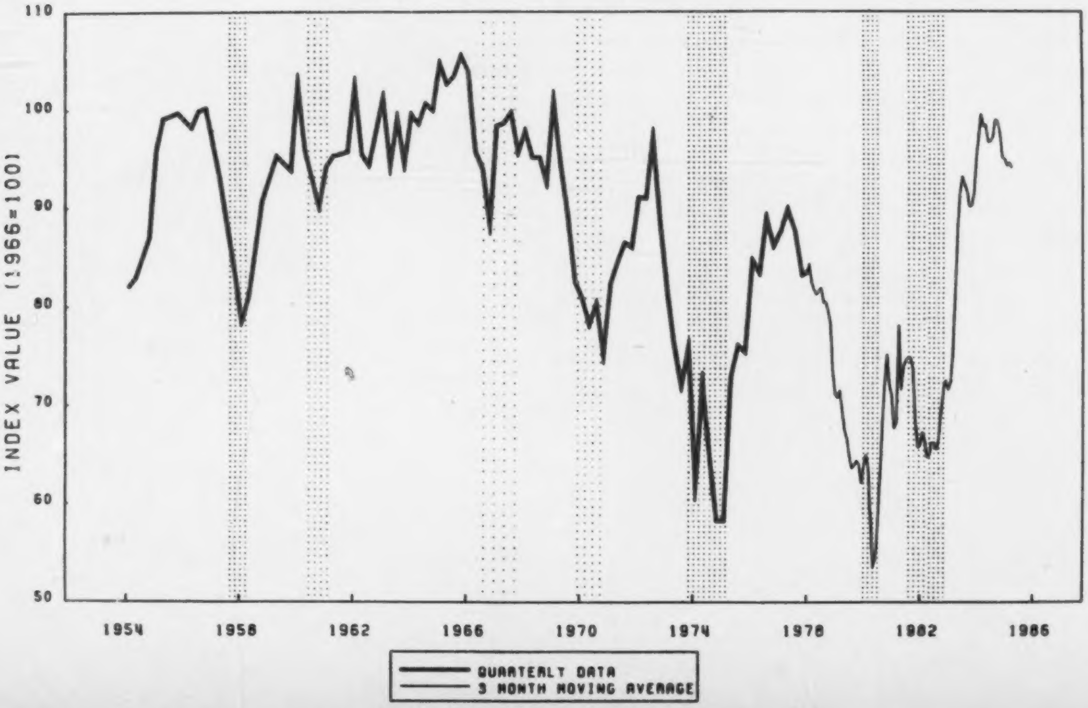


TABLE 1

THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY	All families	Families with incomes over $20,000	Families with incomes over $25,000
April 1982	65.5	71.5	73.2
May 1982	67.5	72.7	74.8
June 1982	65.7	71.4	72.9
July 1982	65.4	68.9	69.2
August 1982	65.4	71.0	73.6
September 1982	69.3	78.4	81.1
October 1982	73.4	77.5	80.9
November 1982	72.1	79.3	81.1
December 1982	71.9	78.0	80.5
January 1983	70.4	78.2	78.8
February 1983	74.6	79.9	81.3
March 1983	80.8	88.4	88.9
April 1983	89.1	97.1	99.0
May 1983	93.3	99.6	101.0
June 1983	92.2	101.2	102.5
July 1983	93.9	104.4	106.5
August 1983	90.9	101.2	103.5
September 1983	89.9	99.0	102.3
October 1983	89.3	99.5	101.9
November 1983	91.1	97.2	98.8
December 1983	94.2	101.7	104.5
January 1984	100.1	112.0	114.2
February 1984	97.4	109.6	111.2
March 1984	101.0	110.9	114.2
April 1984	96.1	103.9	105.5
May 1984	98.1	105.6	107.1
June 1984	95.5	104.4	104.5
July 1984	96.6	103.2	102.8
August 1984	99.1	106.7	109.2
September 1984	100.9	109.7	111.7
October 1984	96.3	106.2	107.7
November 1984	95.7	108.6	111.0
December 1984	92.9	99.2	100.1
January 1985	96.0	104.1	106.7
February 1985	93.7	105.4	107.4
March 1985	93.7	106.5	108.8
April 1985	94.6	102.8	107.9

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

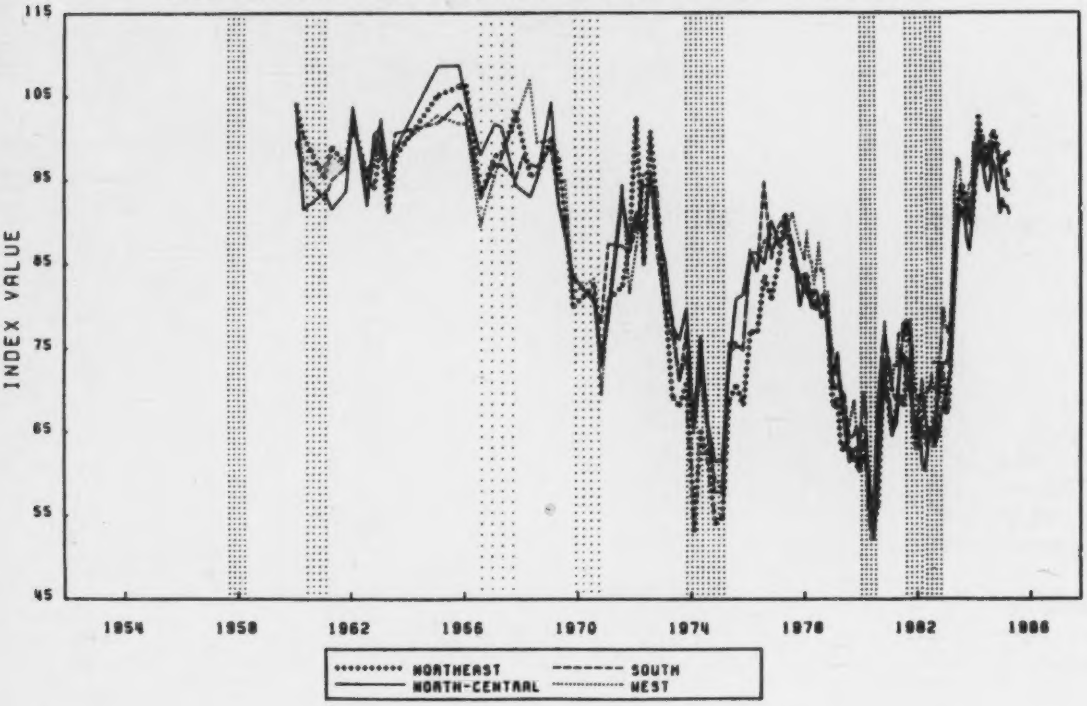


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

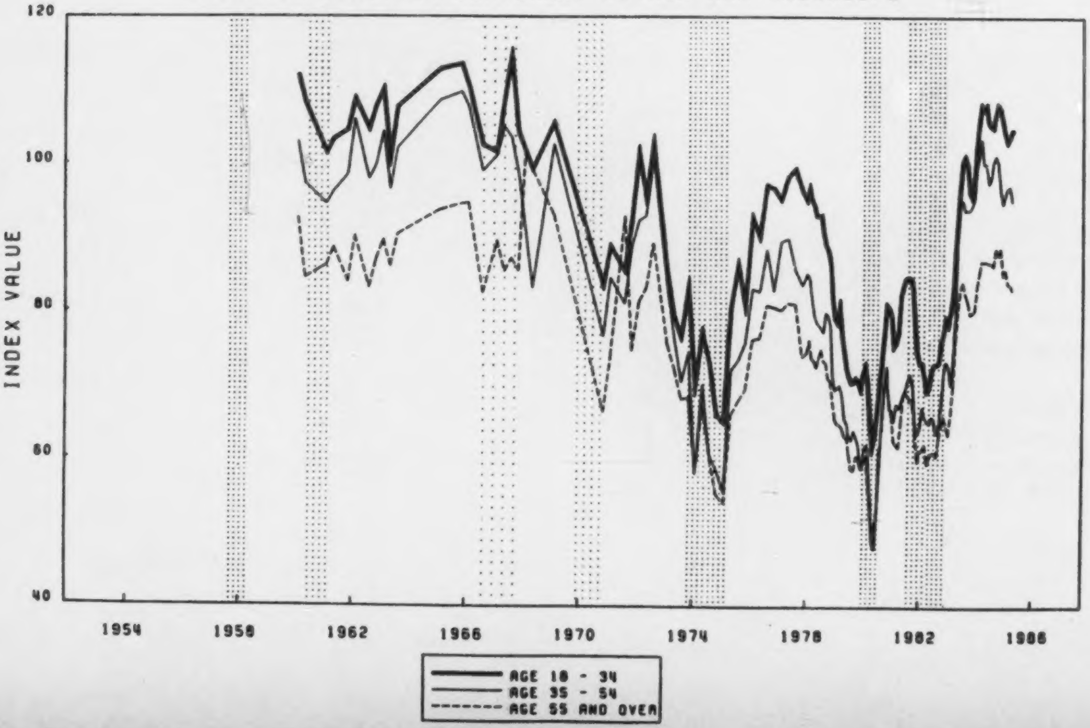


TABLE 2

INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

	CENSUS REGION				AGE OF RESPONDENT		
DATE OF SURVEY	North East	North Central	South	West	18-34	35-54	55+
April 1982	67.2	64.6	65.0	65.8	70.6	65.5	60.4
May 1982	62.4	66.5	66.6	75.7	72.7	67.6	62.0
June 1982	65.4	65.0	64.9	68.6	72.4	64.4	60.3
July 1982	65.1	64.0	63.5	71.1	73.4	63.3	60.6
August 1982	68.1	60.6	64.0	70.6	72.6	62.9	60.2
September 1982	70.3	67.2	71.1	68.8	73.0	66.7	68.0
October 1982	77.8	66.2	74.1	79.3	81.2	72.1	65.5
November 1982	70.6	67.9	73.2	79.3	76.6	75.7	63.8
December 1982	66.1	70.0	72.5	80.4	78.9	71.7	64.2
January 1983	64.9	70.5	73.6	72.8	78.8	70.0	62.0
February 1983	72.1	72.3	75.8	77.2	82.1	68.3	72.4
March 1983	82.9	73.7	82.7	84.4	84.9	81.5	75.5
April 1983	89.1	88.0	87.2	95.6	95.8	90.5	80.5
May 1983	88.3	90.7	93.3	102.7	97.2	97.1	84.9
June 1983	95.1	88.7	92.5	94.1	97.8	94.4	83.9
July 1983	98.3	93.8	89.9	94.3	106.0	93.6	83.0
August 1983	89.6	92.0	91.3	89.6	99.2	92.9	80.0
September 1983	92.6	87.8	89.3	90.8	94.8	94.5	80.9
October 1983	89.9	83.7	91.5	93.5	94.2	93.8	77.8
November 1983	87.7	88.3	91.5	98.5	97.2	94.6	80.7
December 1983	91.4	96.2	95.2	92.2	102.3	97.5	81.8
January 1984	100.7	96.8	97.5	107.5	107.9	106.0	87.4
February 1984	102.3	98.4	93.5	97.1	106.2	98.9	86.5
March 1984	104.8	98.5	102.1	97.5	109.9	105.2	86.6
April 1984	92.5	95.3	98.2	99.3	106.5	95.9	87.0
May 1984	98.8	96.3	96.5	103.9	107.5	98.8	86.6
June 1984	100.1	92.1	95.0	93.7	103.0	97.1	85.9
July 1984	94.3	92.5	100.5	99.3	104.9	98.2	87.1
August 1984	103.1	100.2	97.5	95.4	106.8	105.3	85.2
September 1984	105.0	99.3	99.7	99.9	108.5	99.9	93.3
October 1984	92.5	89.4	100.9	101.7	108.9	95.5	84.2
November 1984	100.3	93.3	95.6	94.1	105.5	94.0	88.1
December 1984	94.8	90.3	93.4	94.0	102.9	94.1	82.2
January 1985	98.2	94.5	94.6	97.8	104.2	99.0	86.6
February 1985	97.9	90.4	96.6	89.7	102.0	97.0	82.3
March 1985	98.3	90.6	89.8	101.1	104.7	94.7	82.0
April 1985	98.1	91.7	94.8	95.3	106.9	92.9	84.3

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

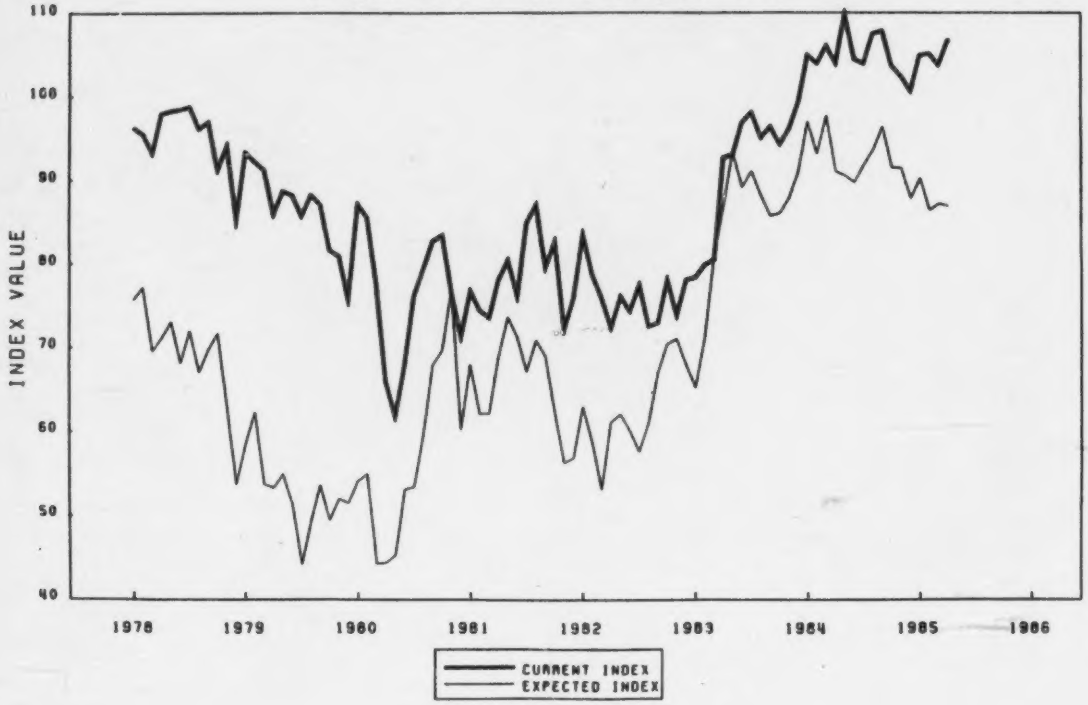


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS

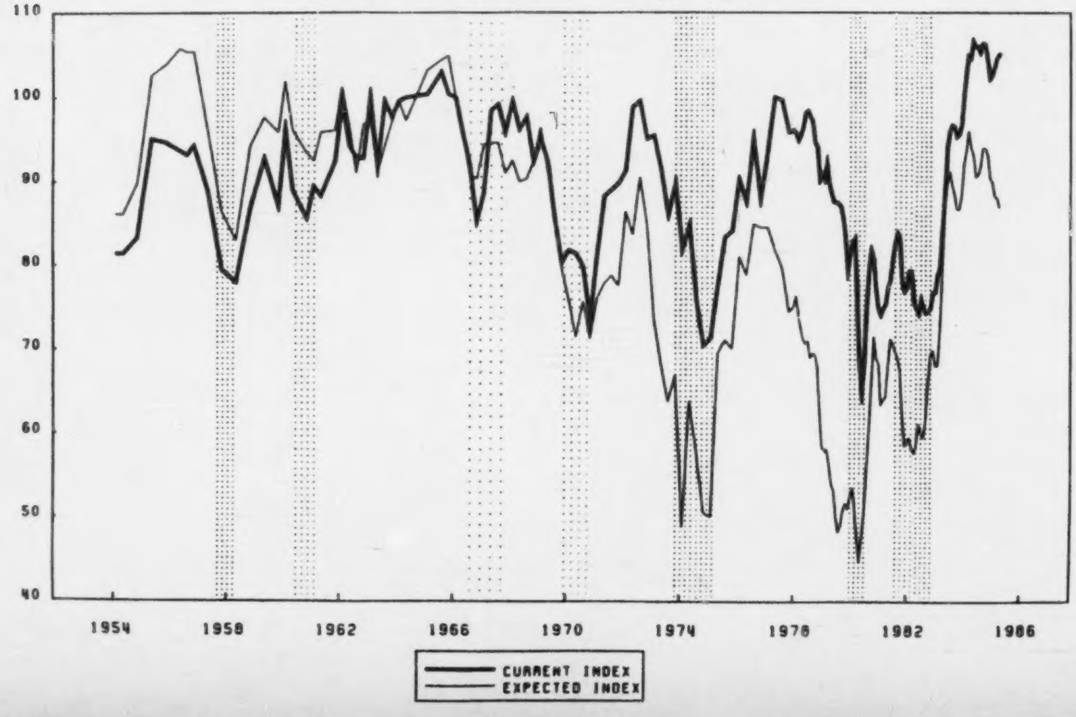


TABLE 3

COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

		INDEX COMPONENTS +						
		Personal finances		Business conditions				
		Current	Expected	12 months	5 years	Buying conds.	Current Index	Expected Index
DATE OF SURVEY		(1)	(2)	(3)	(4)	(5)	(1,5)	(2,3,4)
April	1982	87	111	62	70	99	72.3	61.1
May	1982	94	113	62	72	102	76.1	62.0
June	1982	92	116	58	65	99	74.3	60.1
July	1982	90	113	53	63	110	77.5	57.6
August	1982	89	110	64	69	97	72.5	60.9
September	1982	89	116	76	74	98	72.9	66.9
October	1982	95	119	79	83	106	78.1	70.4
November	1982	85	121	77	86	105	73.8	71.0
December	1982	90	117	74	80	111	78.1	67.9
January	1983	91	115	76	69	111	78.4	65.2
February	1983	89	117	87	81	117	79.9	71.2
March	1983	92	126	113	85	115	80.5	80.9
April	1983	108	131	120	99	131	92.7	86.9
May	1983	101	137	139	100	139	93.1	93.4
June	1983	110	128	134	97	141	96.9	89.2
July	1983	111	126	136	104	143	98.1	91.1
August	1983	106	124	130	100	140	95.1	88.2
September	1983	109	125	125	95	140	96.4	85.8
October	1983	104	124	124	98	140	94.3	86.1
November	1983	111	127	129	98	138	96.1	87.9
December	1983	123	125	140	102	134	99.3	91.0
January	1984	117	129	154	108	155	104.9	97.0
February	1984	119	130	139	106	151	103.9	93.2
March	1984	122	135	146	113	153	106.0	97.7
April	1984	117	124	136	106	153	103.9	91.1
May	1984	121	129	131	105	164	109.8	90.6
June	1984	126	124	131	106	145	104.4	89.8
July	1984	117	124	133	113	152	103.9	91.9
August	1984	125	129	137	111	153	107.5	93.7
September	1984	125	131	142	116	154	107.8	96.4
October	1984	118	127	134	107	150	103.6	91.6
November	1984	121	129	132	107	144	102.4	91.5
December	1984	118	125	131	98	143	100.6	87.9
January	1985	119	124	135	104	153	104.9	90.3
February	1985	115	120	131	96	158	105.1	86.5
March	1985	112	123	133	96	156	103.7	87.3
April	1985	116	127	128	95	161	106.6	87.0

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

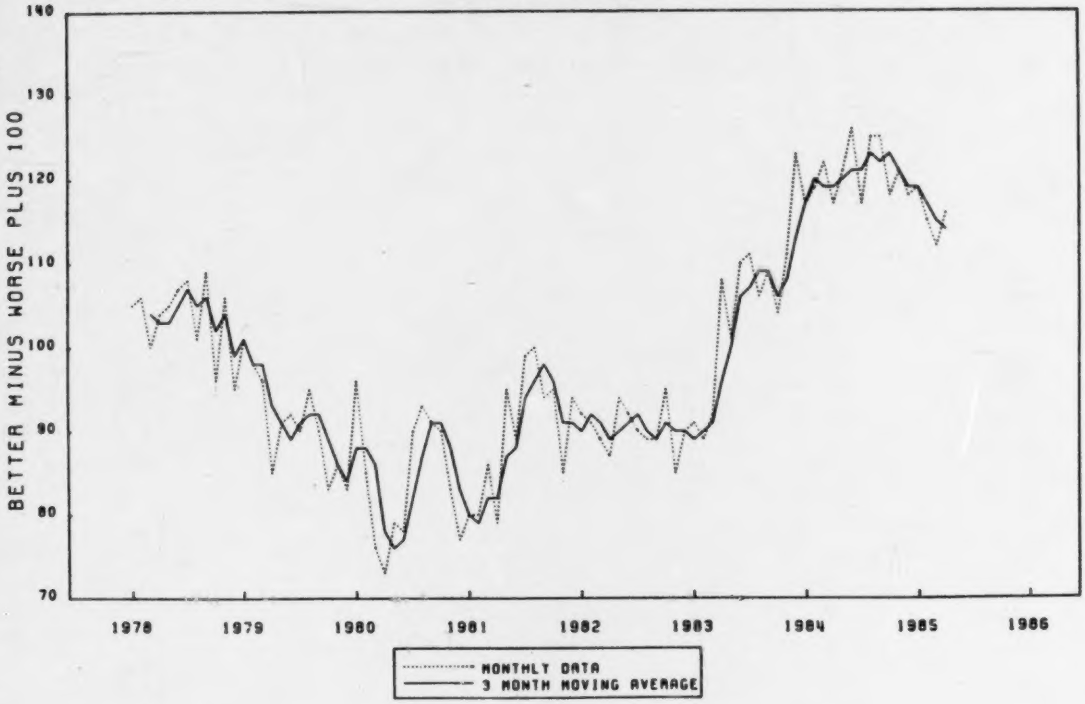


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

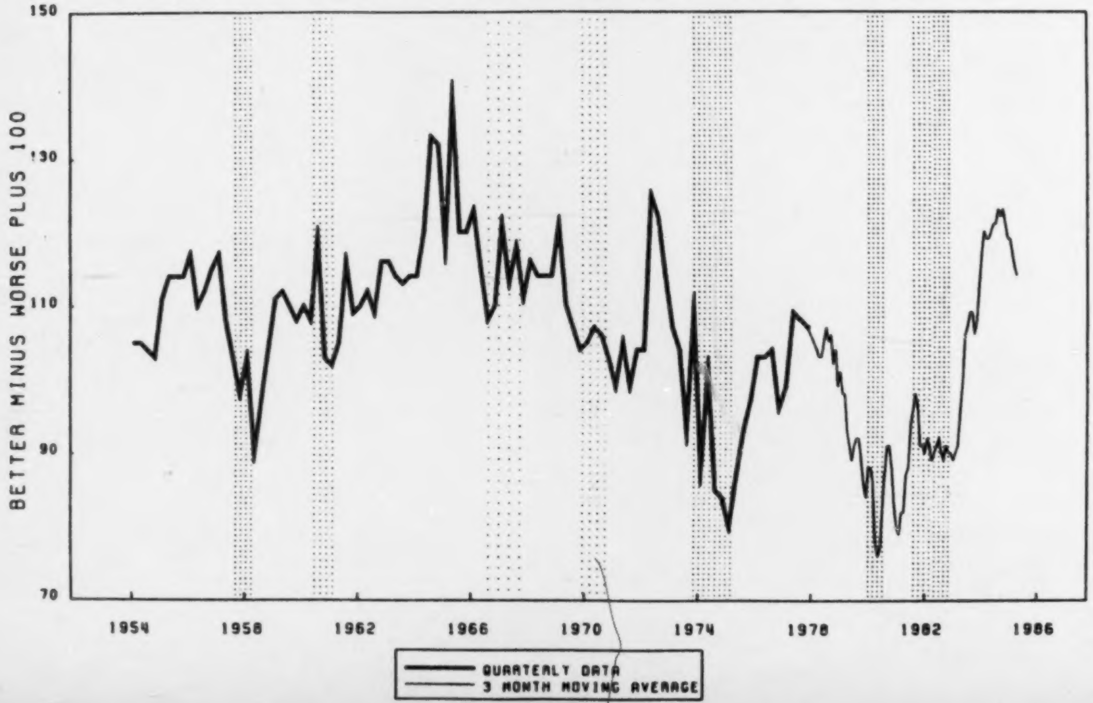


TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
BETTER OFF	43%	44%	47%	42%	48%	45%	44%	46%	44%	42%	42%	40%	41%
SAME	30	33	31	33	29	35	30	29	30	35	31	32	34
WORSE OFF	26	23	21	25	23	20	26	25	26	23	27	28	25
DK,NA	1	*	1	*	*	*	*	*	*	*	*	*	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

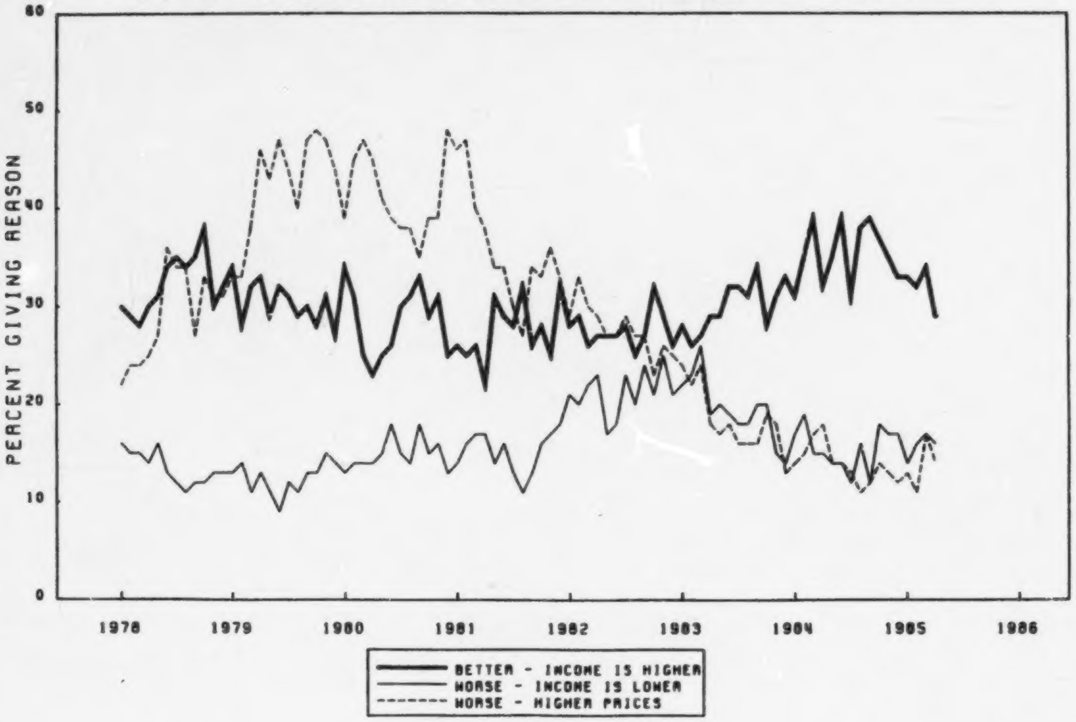


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

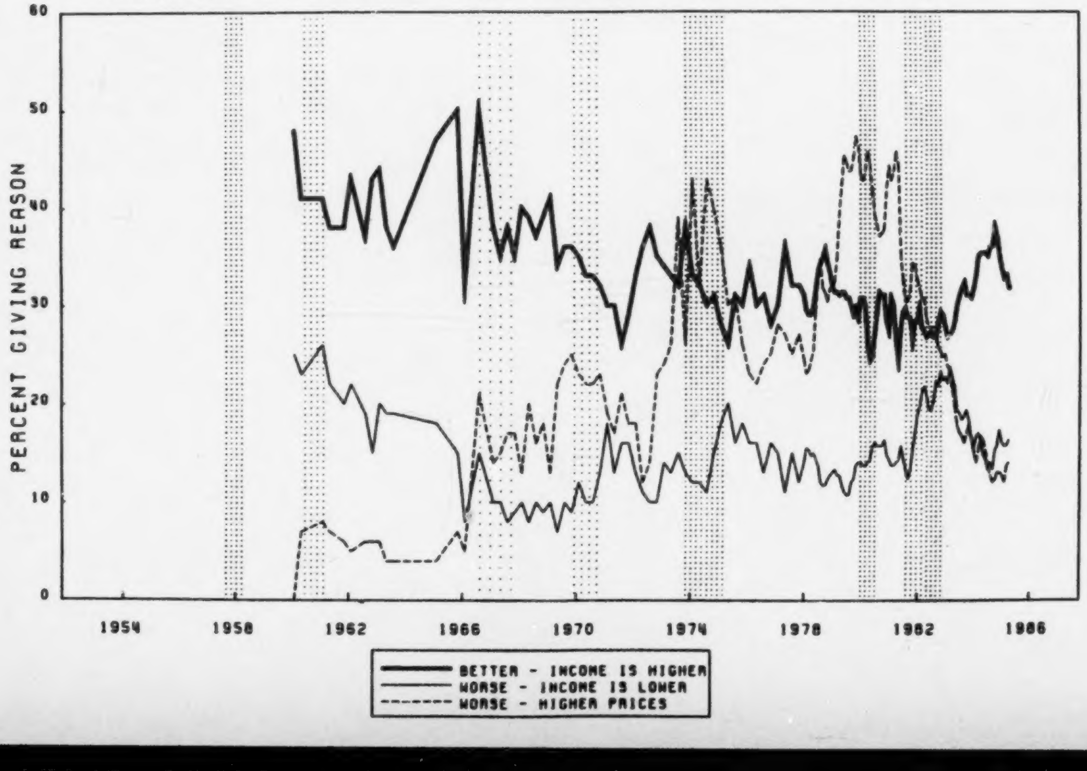


TABLE 5

SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
BETTER OFF THAN YEAR AGO:													
Income is higher	32%	35%	39%	31%	38%	39%	37%	35%	33%	33%	32%	34%	29%
WORSE OFF THAN YEAR AGO:													
Income is lower	15	14	14	12	16	12	18	17	17	14	16	17	16
Higher prices	18	14	14	13	11	12	14	13	12	13	11	17	14

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

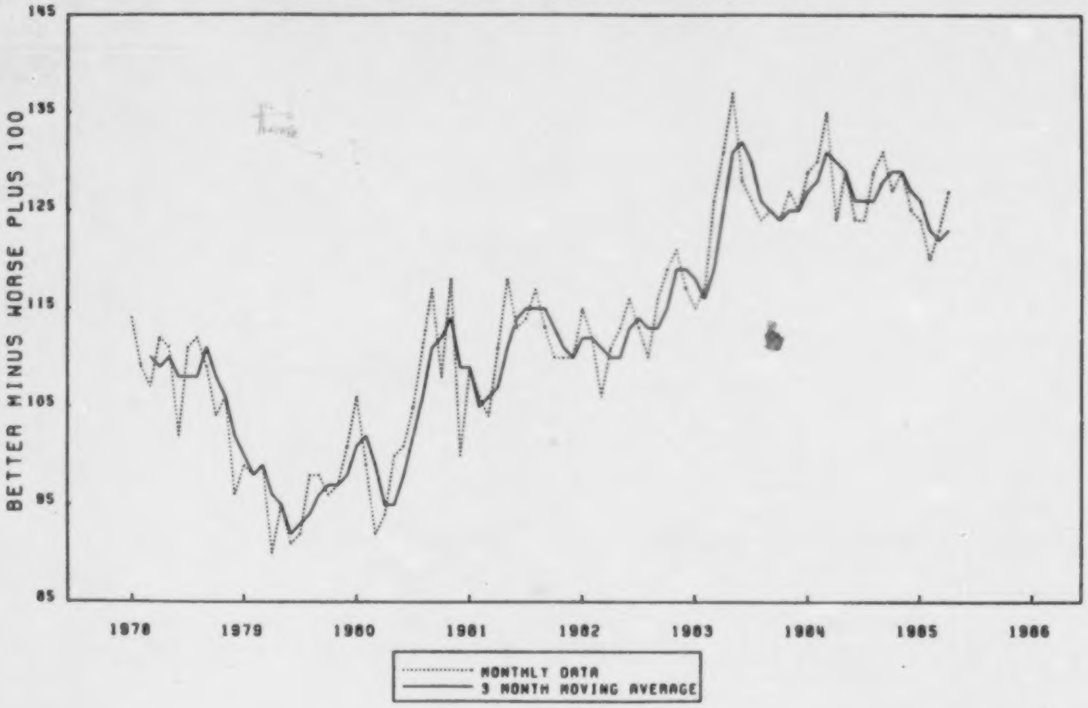


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION

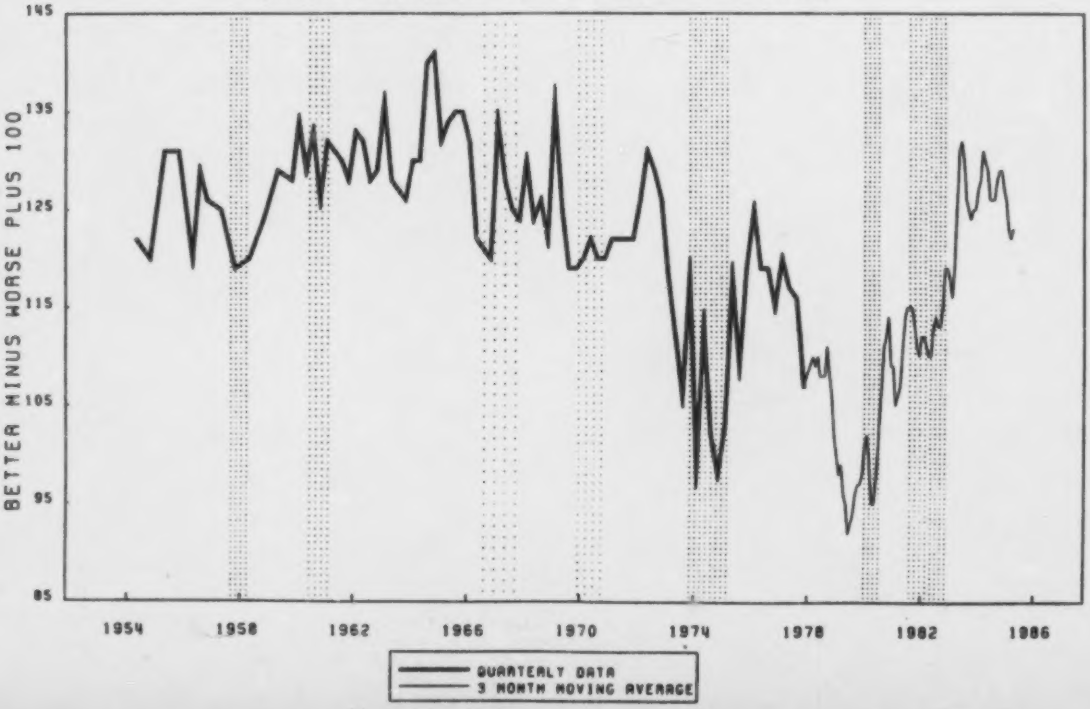


TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
BETTER OFF	37%	40%	35%	34%	38%	39%	38%	39%	36%	35%	33%	36%	37%
SAME	48	47	52	51	49	49	47	48	50	52	50	49	49
WORSE OFF	13	11	11	10	9	8	11	10	11	11	13	13	10
DK,NA	2	2	2	5	4	4	4	3	3	2	4	2	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

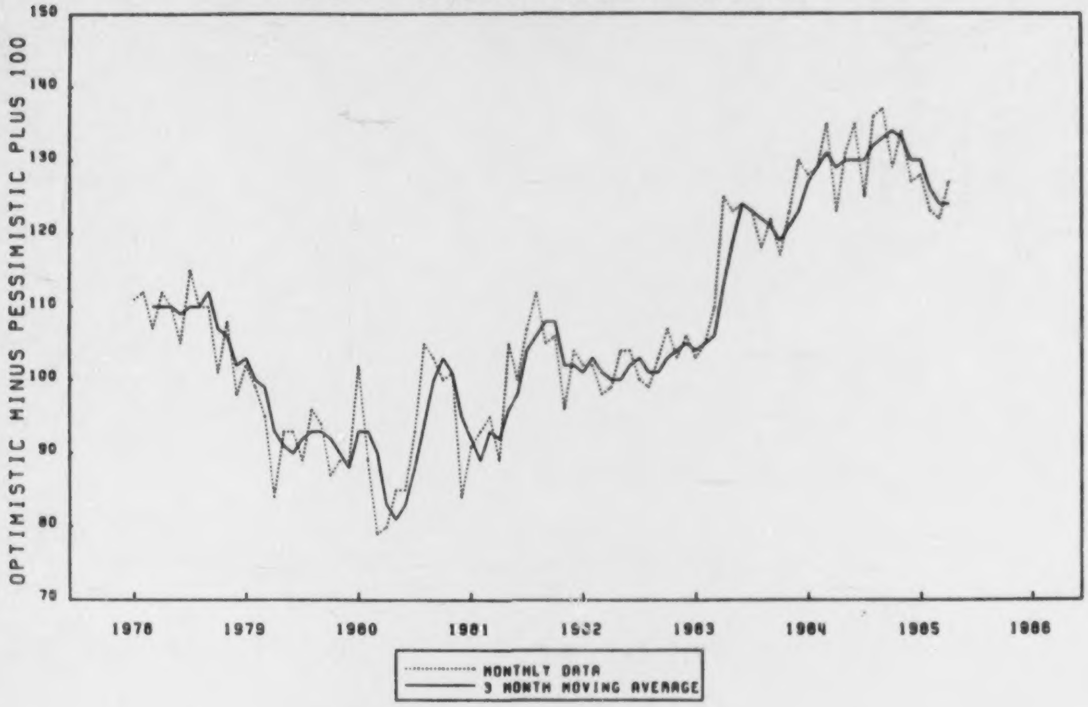


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION

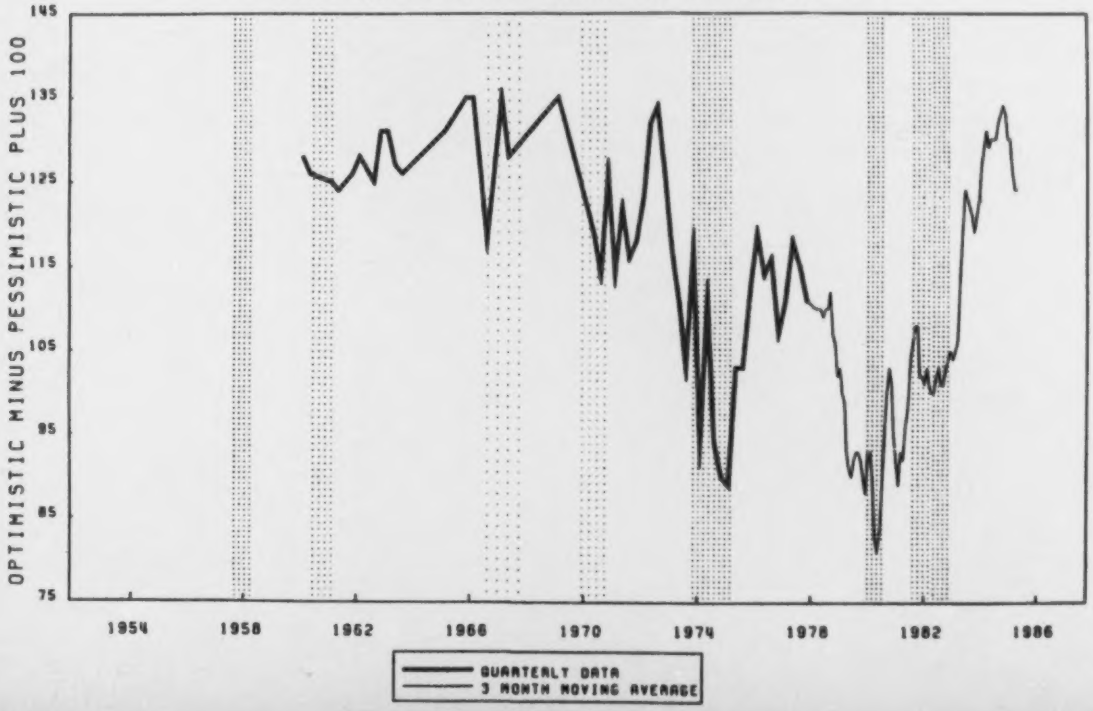


TABLE 7

TREND IN PERSONAL FINANCIAL SITUATION

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
PERSONAL FINANCIAL PROGRESS:													
Continuous increase (a)	23%	23%	20%	22%	24%	25%	21%	21%	23%	19%	20%	20%	22%
Intermittent increase (b)	22	24	32	24	30	28	28	32	25	28	24	26	26
Remain unchanged (c)	19	21	19	21	17	20	17	15	19	22	20	18	20
Intermittent decline (d)	16	12	12	16	13	12	15	14	15	15	15	18	16
Continuous decline (e)	6	4	5	5	5	4	5	5	6	4	6	6	5
Mixed change (f)	11	14	10	7	8	7	10	10	9	9	12	10	8
DK,NA	3	2	2	5	3	4	4	3	3	3	3	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME

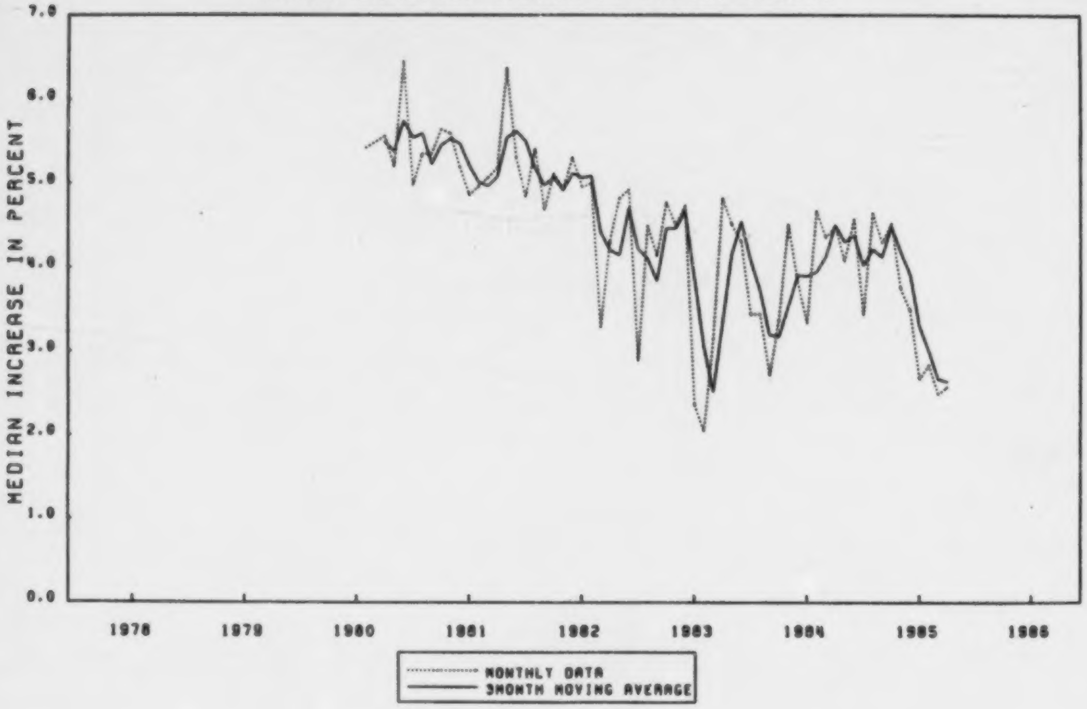


CHART 8 - HISTORICAL SERIES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME

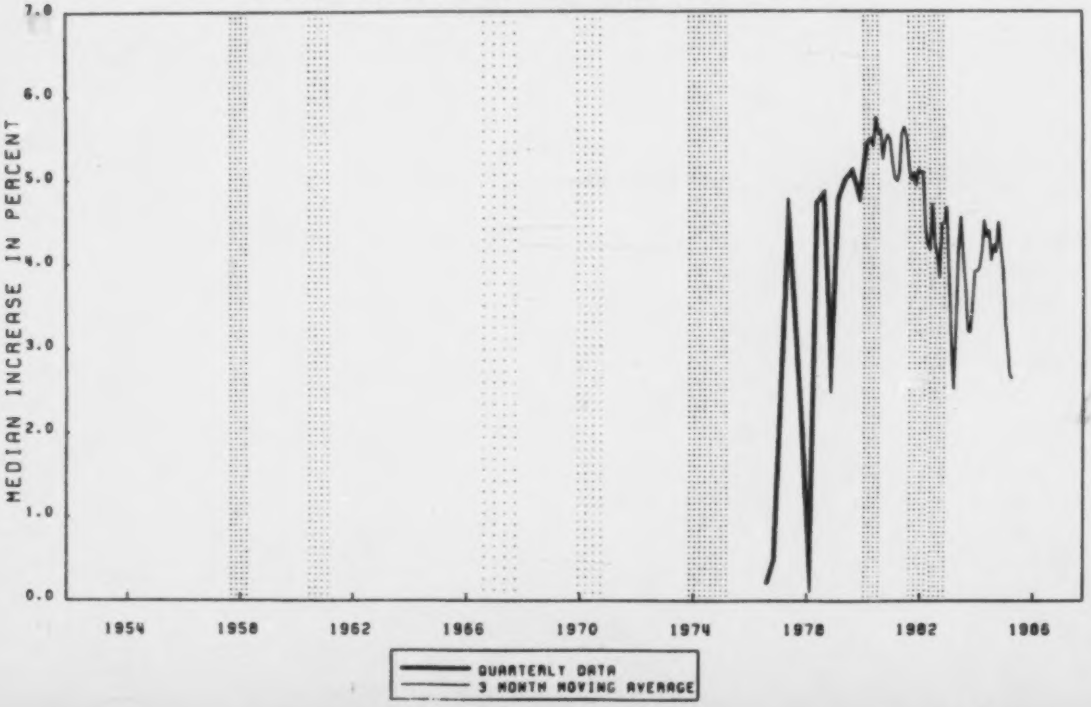


TABLE 8

EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
EXPECT INCREASE:													
1-4%	11%	11%	12%	17%	13%	15%	10%	13%	12%	12%	14%	12%	11%
5%	11	9	11	12	11	10	10	9	10	9	11	11	9
6-9%	8	7	12	8	11	10	8	7	8	9	6	7	7
10-24%	18	21	17	17	18	18	20	19	17	17	16	13	17
25% or more	8	8	7	6	7	7	8	8	7	6	7	8	8
DK how much up	5	6	3	4	3	4	5	6	7	3	3	4	3
EXPECT SAME	22	26	24	23	24	23	25	23	23	27	26	29	30
EXPECT DOWN	15	11	11	11	11	11	12	13	15	16	16	15	14
DK,NA	2	1	3	2	2	2	2	2	1	1	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES
INCOME OR PRICES UP MORE DURING THE LAST YEAR

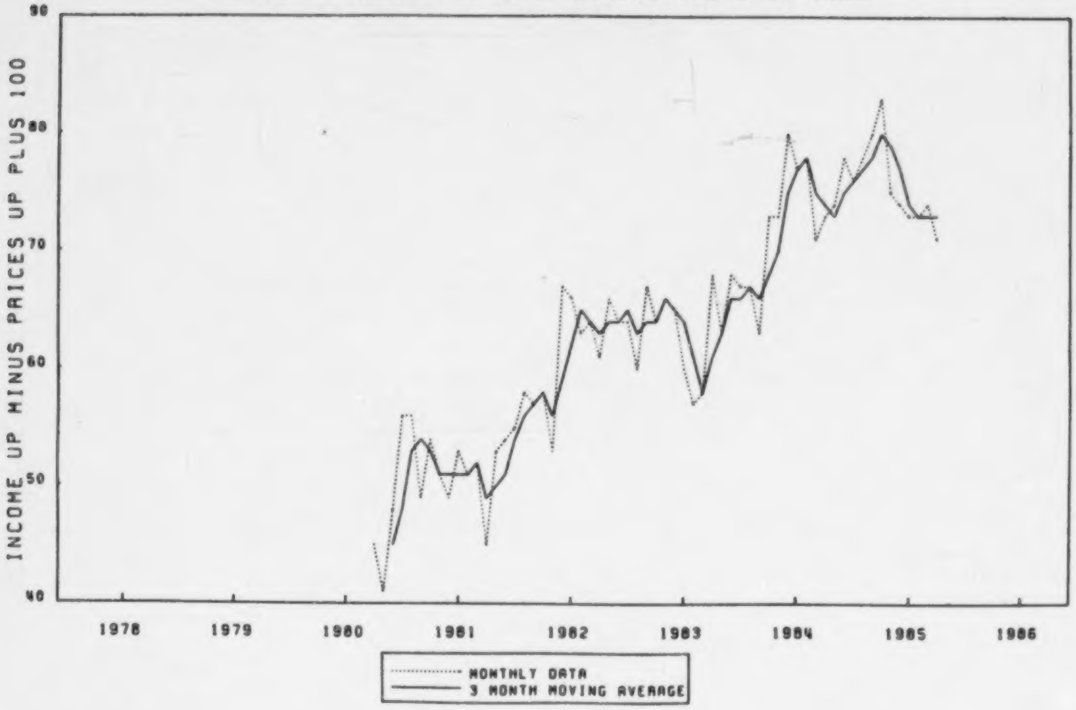


CHART 9 - HISTORICAL SERIES
INCOME OR PRICES UP MORE DURING THE LAST YEAR

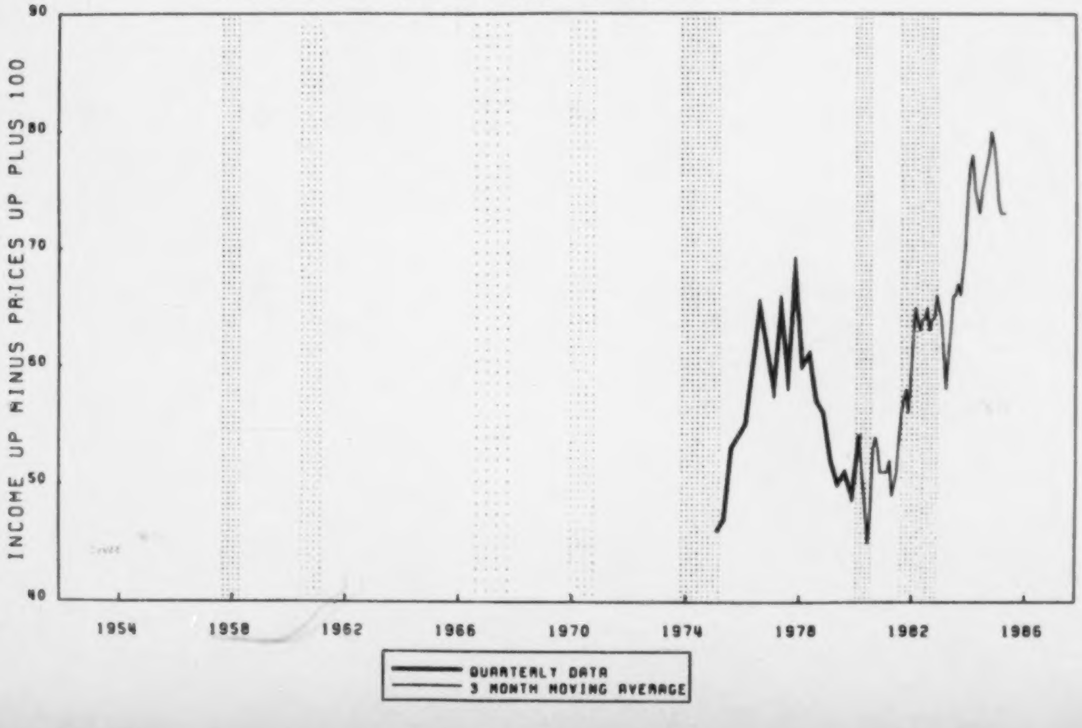


TABLE 9

PAST CHANGE IN REAL FAMILY INCOME

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
INCOME UP MORE	20%	20%	21%	21%	21%	22%	25%	21%	19%	16%	19%	19%	18%
INCOME UP SAME	32	33	34	33	34	36	31	31	35	40	34	35	34
PRICES UP MORE	47	46	43	45	43	42	42	46	45	43	46	45	47
DK,NA	1	1	2	1	2	*	2	2	1	1	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

* : Less than half of one percent.

CHART 10 - RECENT CHANGES
INCOME OR PRICES UP MORE NEXT YEAR

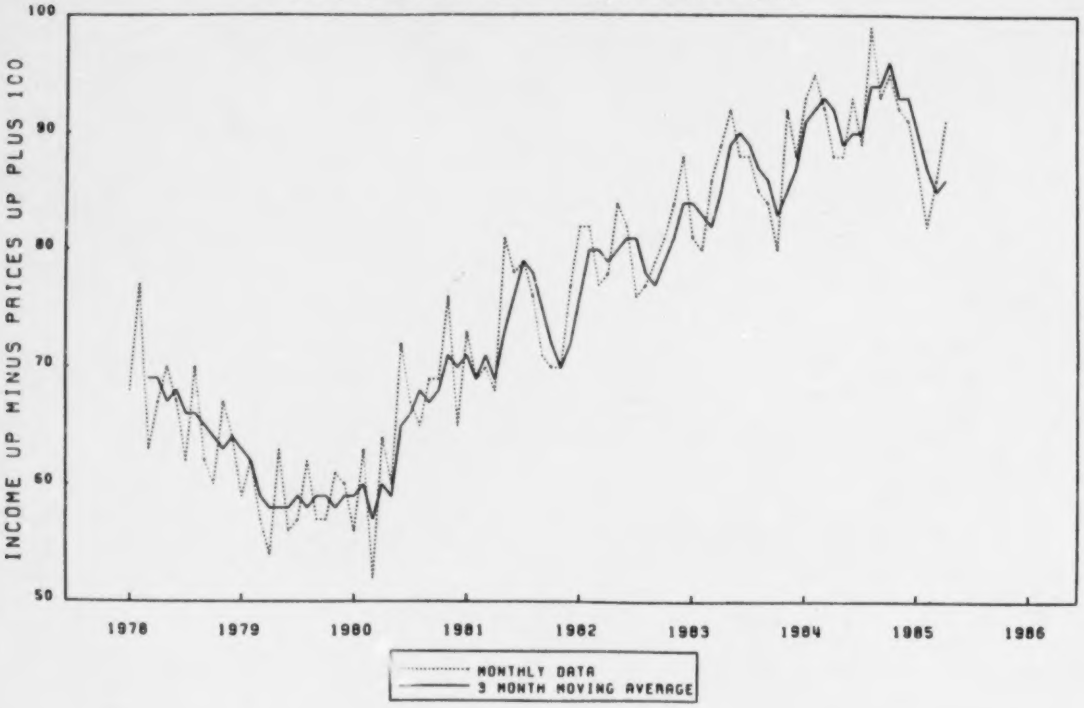


CHART 10 - HISTORICAL SERIES
INCOME OR PRICES UP MORE NEXT YEAR

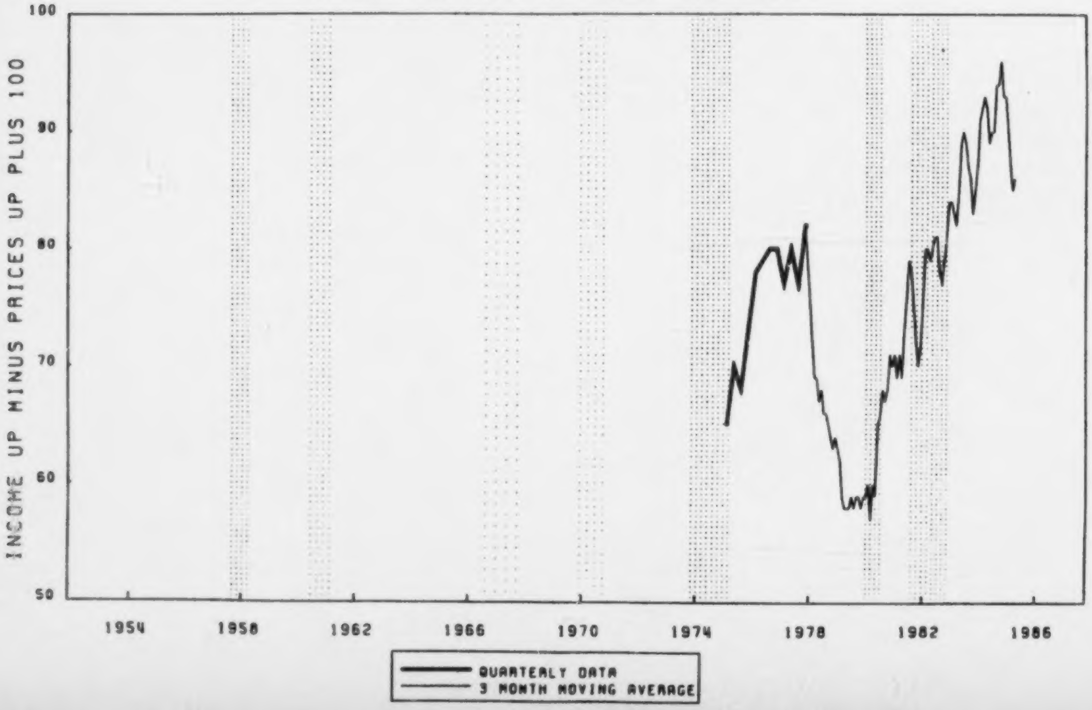


TABLE 10

EXPECTED CHANGE IN REAL FAMILY INCOME

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
INCOME UP MORE	21%	22%	22%	22%	25%	23%	25%	23%	21%	20%	20%	18%	23%
INCOME UP SAME	43	42	47	41	45	44	43	44	46	45	40	49	42
PRICES UP MORE	33	34	29	33	26	30	30	31	30	33	38	32	32
DK,NA	3	2	2	4	4	3	2	2	3	2	2	1	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON

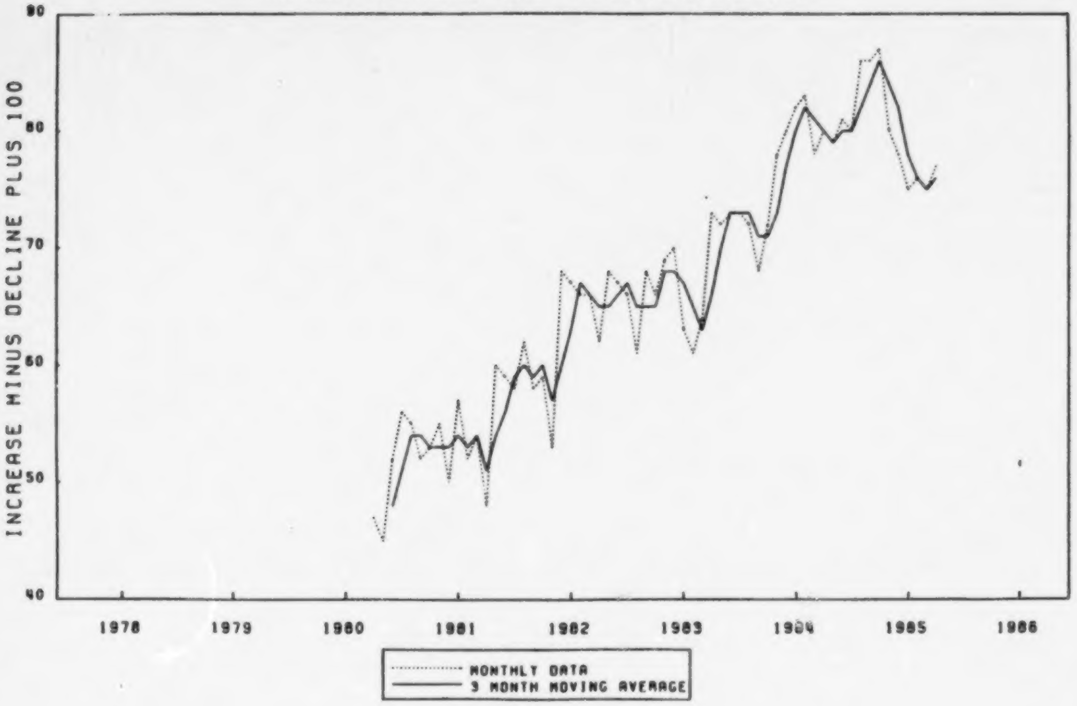


CHART 11 - HISTORICAL SERIES
TREND IN INCOME AND PRICE COMPARISON

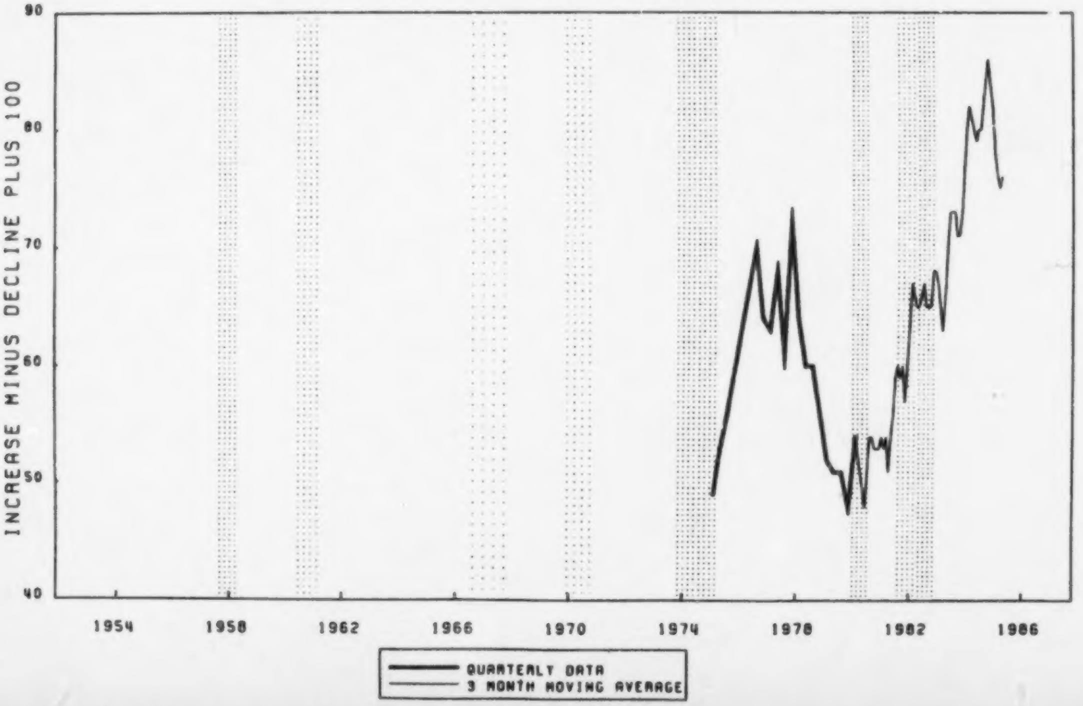


TABLE 11

TREND IN FAMILY INCOME AND PRICES COMPARISONS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
REAL INCOME PROGRESS:													
Continuous increase (a)	10%	9%	11%	10%	12%	12%	14%	12%	10%	8%	10%	9%	11%
Intermittent increase (b)	14	17	13	14	15	16	14	14	12	13	14	14	11
Remain unchanged (c)	21	17	22	20	21	22	20	19	23	24	20	23	22
Intermittent decline (d)	18	22	23	20	22	20	18	22	22	23	19	24	20
Continuous decline (e)	26	25	20	24	19	22	23	24	22	23	29	24	25
Mixed change (f)	7	7	8	8	6	5	7	6	8	6	6	4	7
DK,NA	4	3	3	4	5	3	4	3	3	3	2	2	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART12 - RECENT CHANGES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

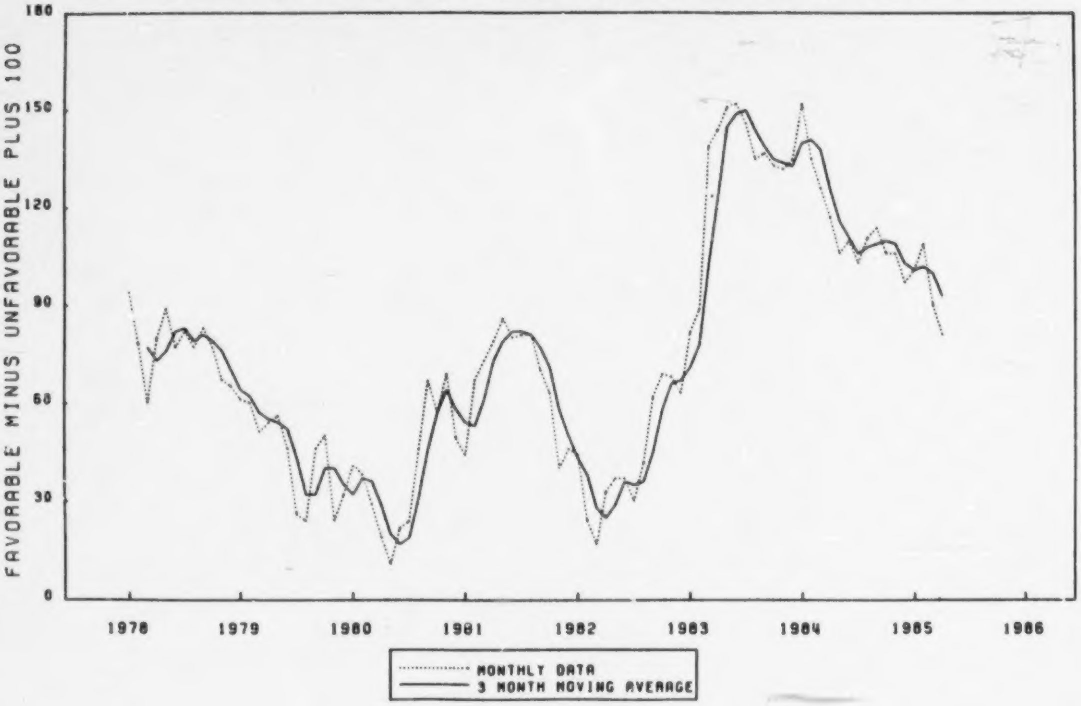


CHART12 - HISTORICAL SERIES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

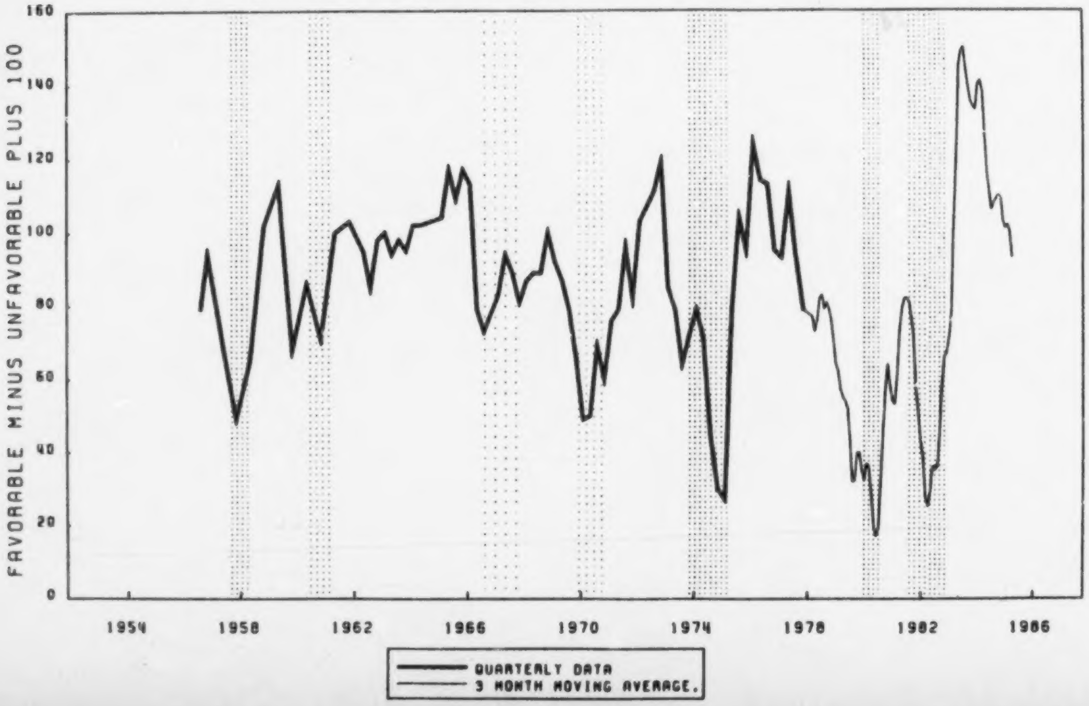


TABLE 12

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
FAVORABLE NEWS	49%	47%	50%	42%	51%	52%	44%	41%	39%	43%	50%	35%	30%
UNFAVORABLE NEWS	32	41	40	39	40	38	38	35	42	42	41	45	49
NO MENTIONS	46	41	41	46	39	41	44	49	46	44	41	48	49

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

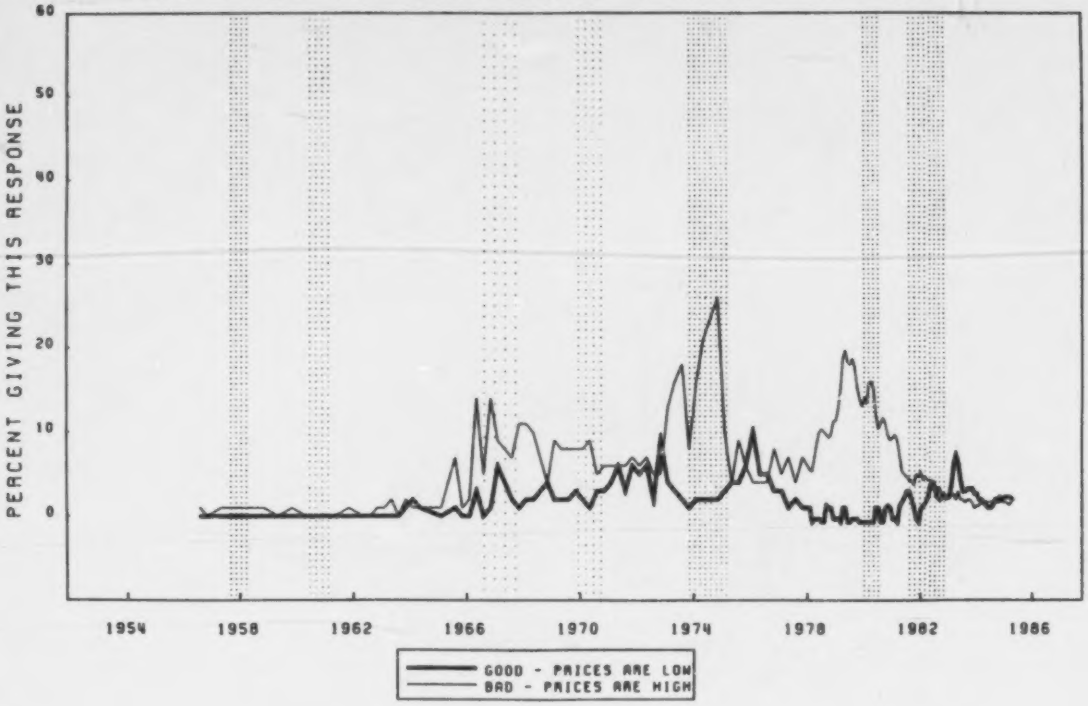


CHART 13B - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

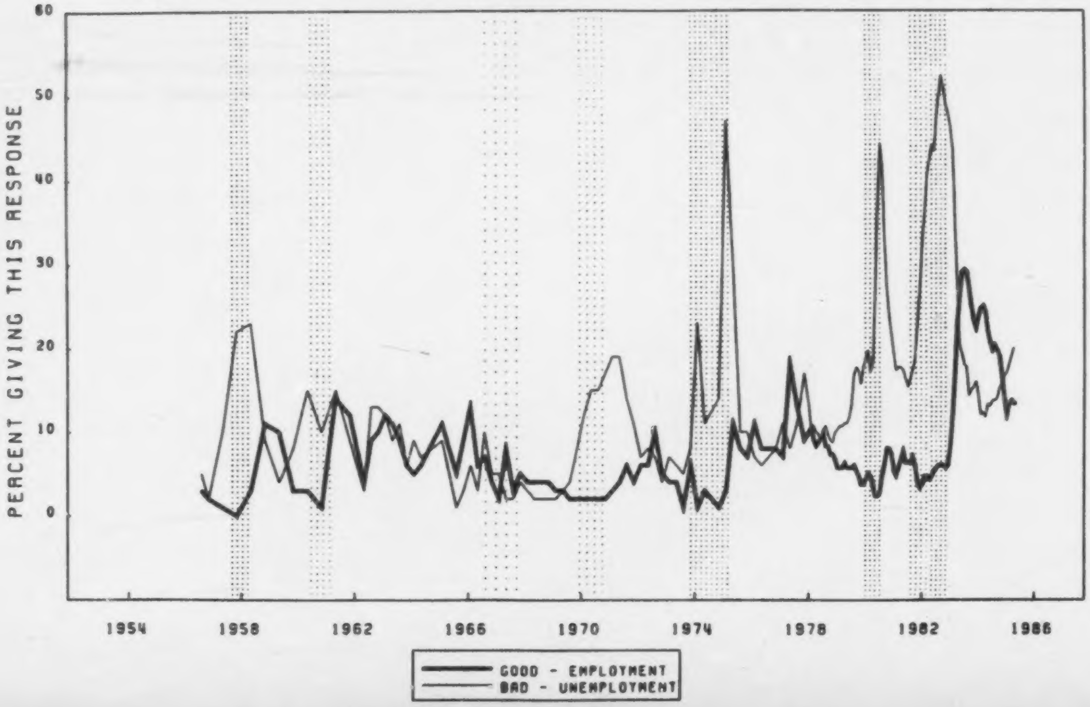


TABLE 13

SELECTED ITEMS OF NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
FAVORABLE NEWS:													
Government; elections	1%	1%	2%	2%	2%	3%	1%	2%	3%	4%	3%	2%	1%
Employment	23	18	21	20	20	19	18	13	11	12	17	12	11
Consumer demand high	8	10	8	4	7	7	5	4	5	5	5	5	3
Prices are low	1	1	1	1	2	3	1	3	2	2	3	2	1
Credit is easy	4	2	3	2	4	3	4	8	9	10	9	5	4
UNFAVORABLE NEWS:													
Government; elections	2	3	2	4	4	4	3	3	6	5	6	5	5
Unemployment	11	15	13	13	15	14	17	16	17	18	19	20	21
Consumer demand low	*	2	1	2	2	2	1	2	3	3	3	2	3
Prices are high	1	2	2	1	2	2	1	2	2	1	2	1	2
Credit is tight	9	10	12	13	9	6	5	3	2	2	1	2	2
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

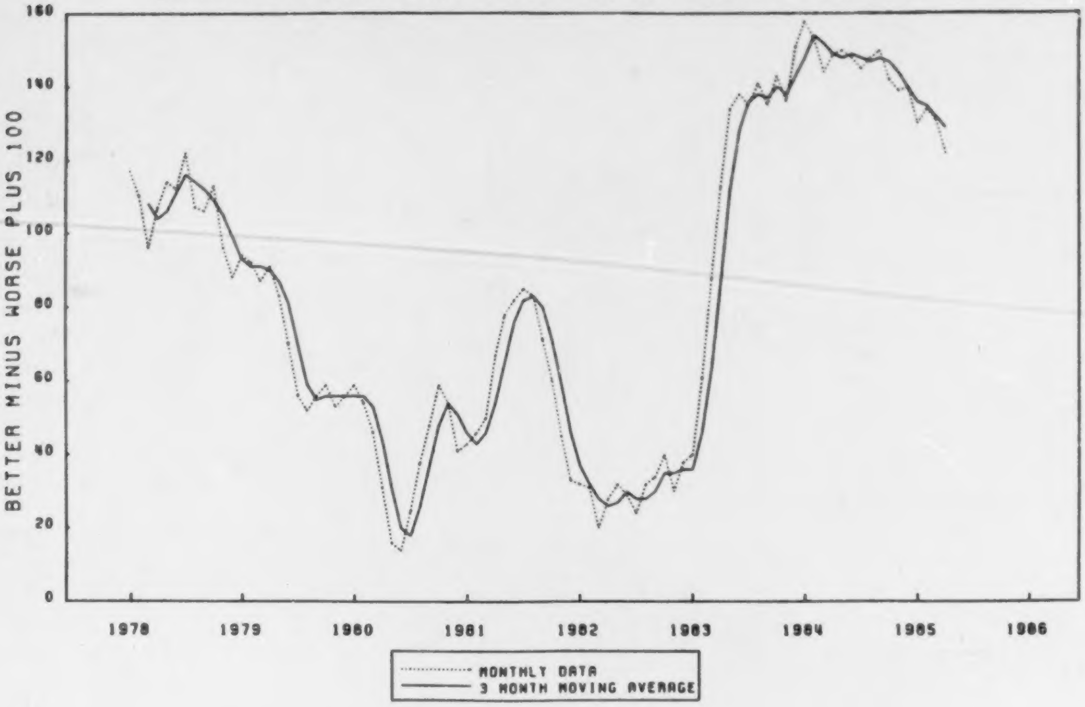


CHART 14 - HISTORICAL SERIES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

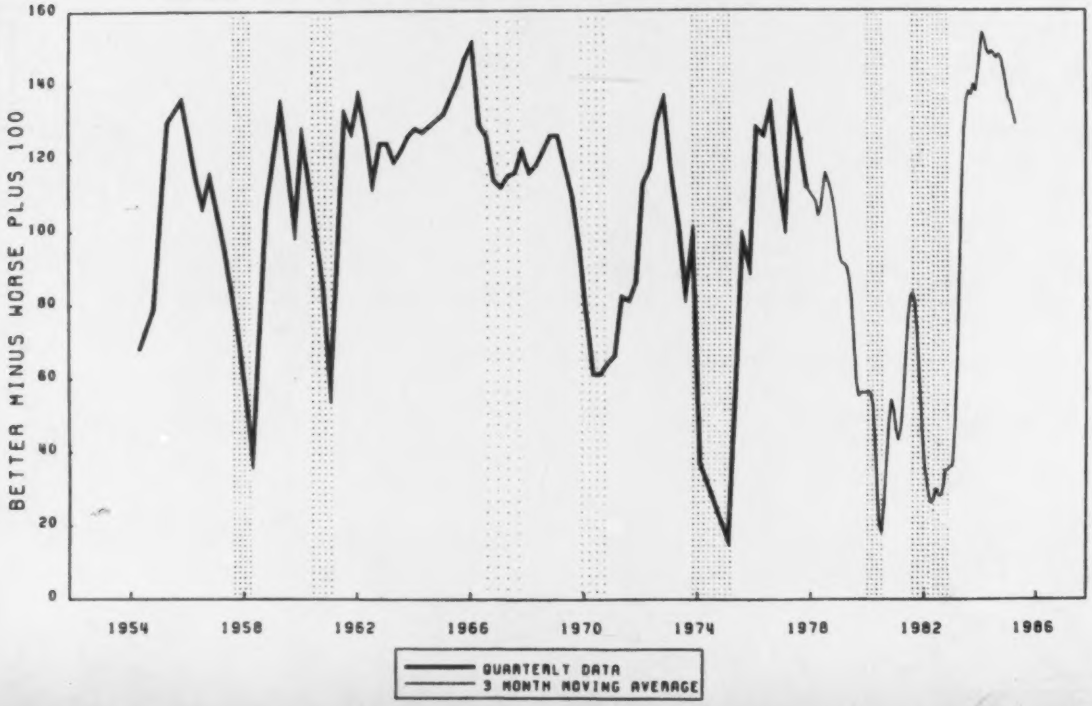


TABLE 14

CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
BETTER NOW	68%	70%	67%	67%	68%	68%	65%	63%	63%	57%	60%	57%	51%
SAME	11	9	12	9	11	12	10	12	13	14	12	15	17
WORSE NOW	19	20	19	22	20	18	23	24	23	27	26	26	29
DK,NA	2	1	2	2	1	2	2	1	1	2	2	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

CHART 15 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

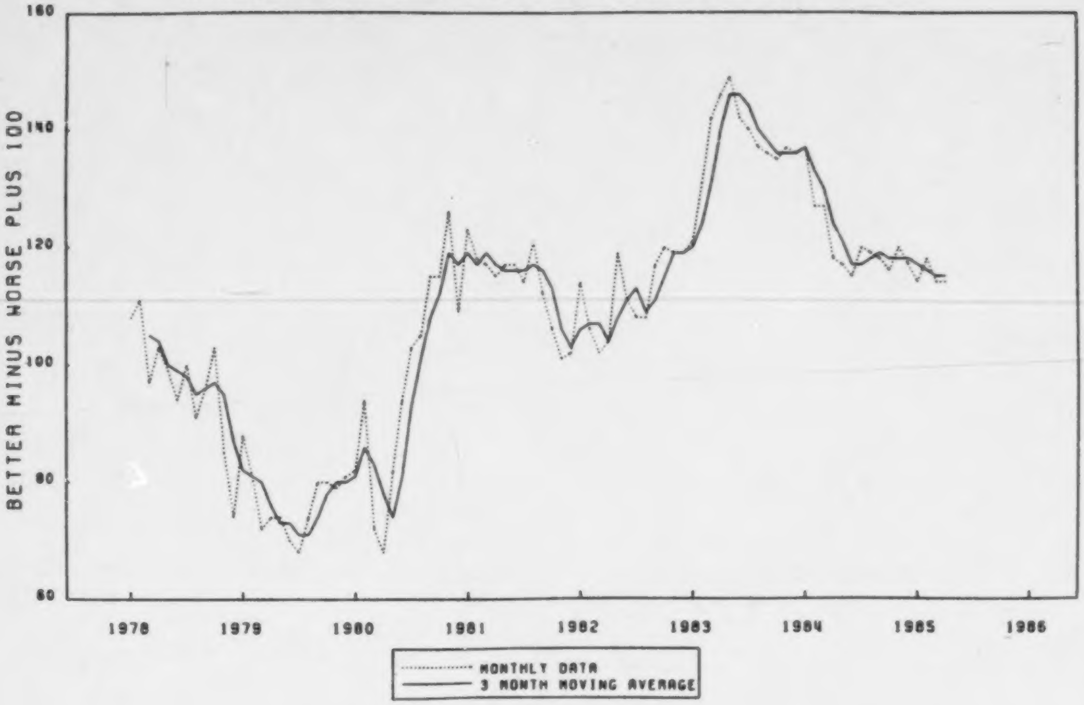


CHART 15 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

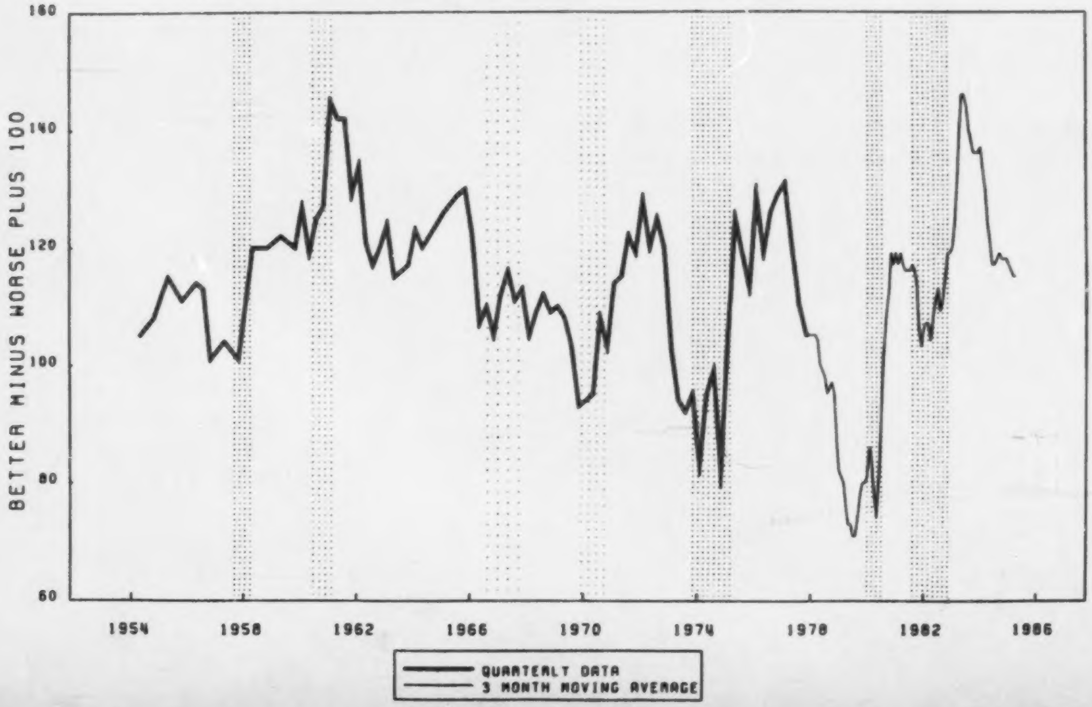


TABLE 15

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
BETTER	32%	31%	30%	32%	33%	33%	32%	35%	33%	29%	33%	29%	29%
SAME	52	53	53	51	49	48	49	48	47	55	50	53	53
WORSE	14	14	15	12	14	15	16	15	16	15	15	15	15
DK,NA	2	2	2	5	4	4	3	2	4	1	2	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

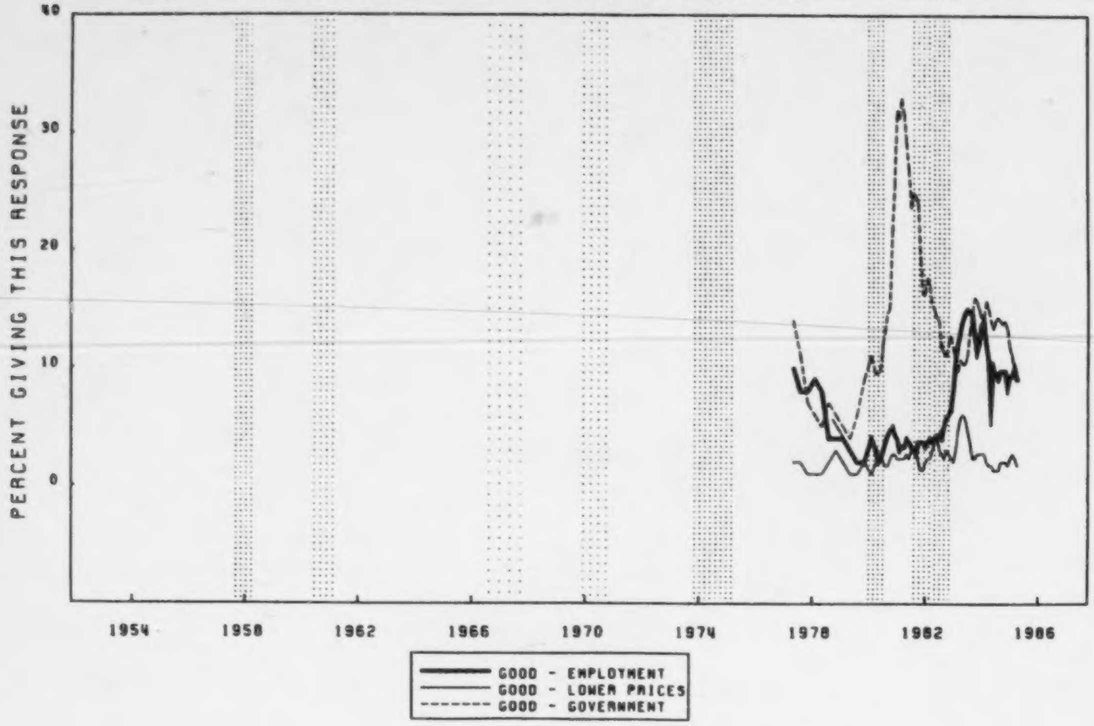


CHART 16B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

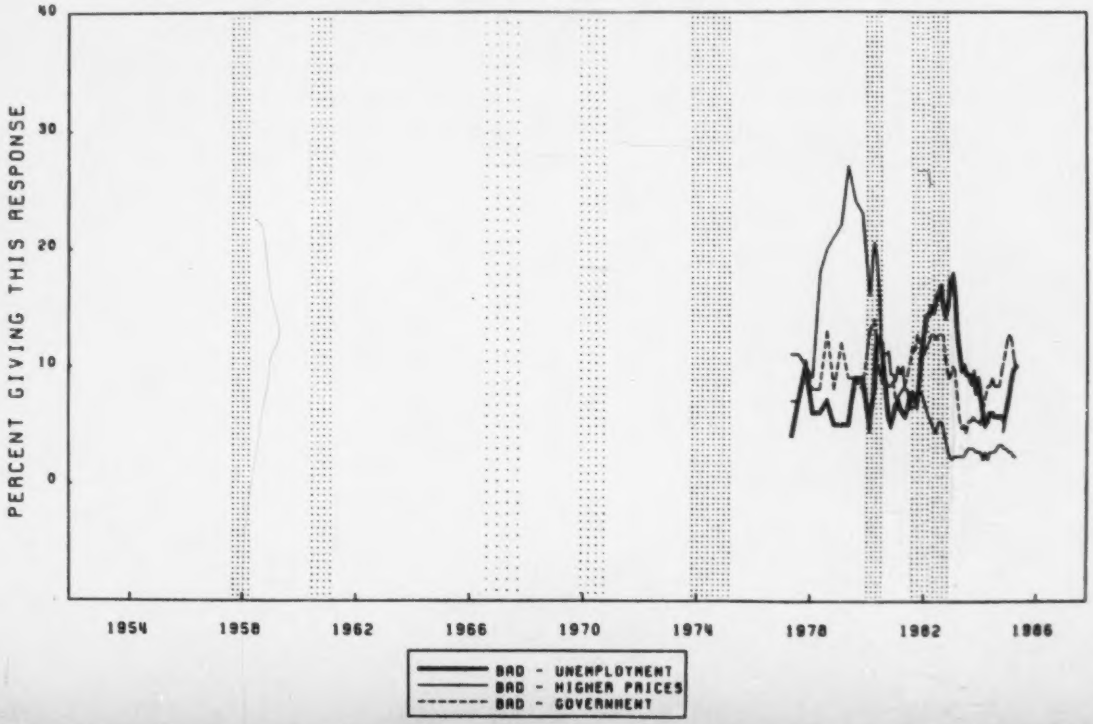


TABLE 16

REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
FAVORABLE REASONS:													
Government; elections	13%	12%	15%	15%	13%	14%	14%	14%	12%	9%	12%	8%	9%
Employment	11	9	10	9	8	12	9	8	8	12	8	10	9
Higher consumer demand	4	5	4	5	5	2	2	5	4	4	4	5	5
Lower prices	1	2	1	1	2	3	1	2	2	3	3	1	1
Easier credit	2	2	2	4	4	4	3	5	6	4	4	4	3
UNFAVORABLE REASONS:													
Government; elections	7	9	11	5	9	11	9	12	15	11	11	10	9
Unemployment	7	6	5	6	6	5	6	5	8	9	9	11	10
Lower consumer demand	2	2	2	2	3	2	2	3	4	2	2	4	4
Higher prices	2	3	2	3	4	3	3	3	3	2	3	2	2
Tighter credit	7	7	8	7	5	4	4	3	3	4	3	2	2
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

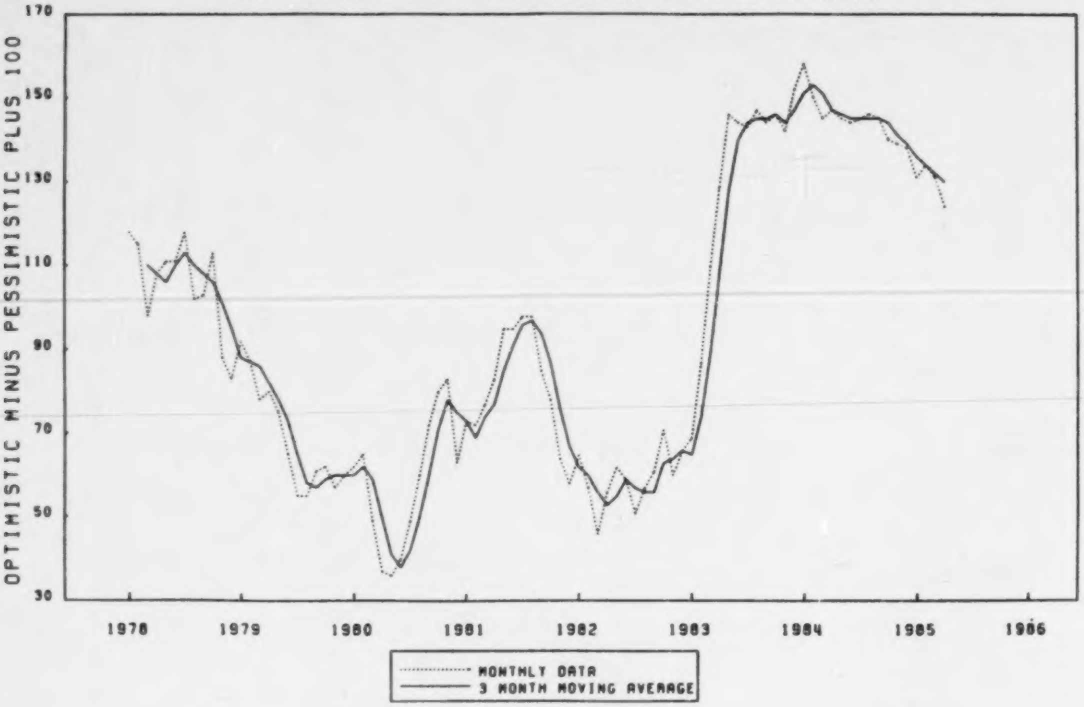


CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

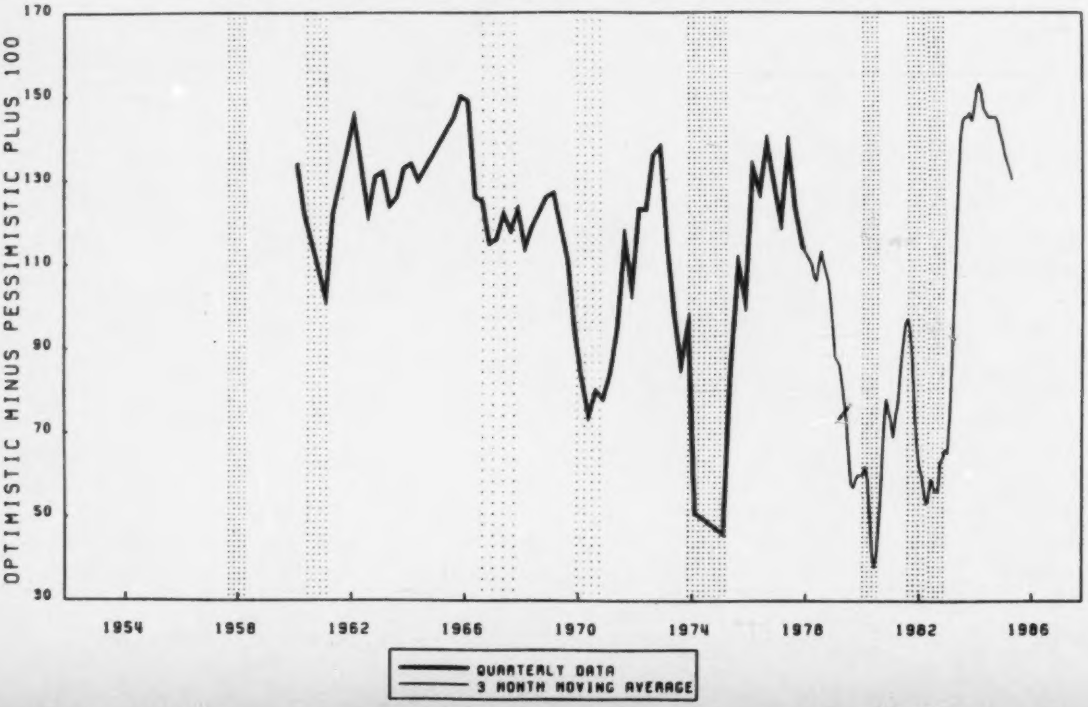


TABLE 17

TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
TREND:													
Continuous increase (a)	25%	27%	25%	25%	25%	27%	24%	28%	27%	21%	26%	22%	21%
Intermittent increase (b)	39	36	37	38	36	35	36	32	32	36	31	33	29
Remain unchanged (c)	7	7	7	4	6	6	5	6	7	8	7	9	11
Intermittent decline (d)	10	13	11	12	10	11	12	14	13	17	15	15	18
Continuous decline (e)	7	5	7	6	5	6	8	7	8	9	8	9	8
Mixed change (f)	9	10	9	9	12	10	10	9	9	7	9	8	8
DK,NA	3	2	4	6	6	5	5	4	4	2	4	4	5
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

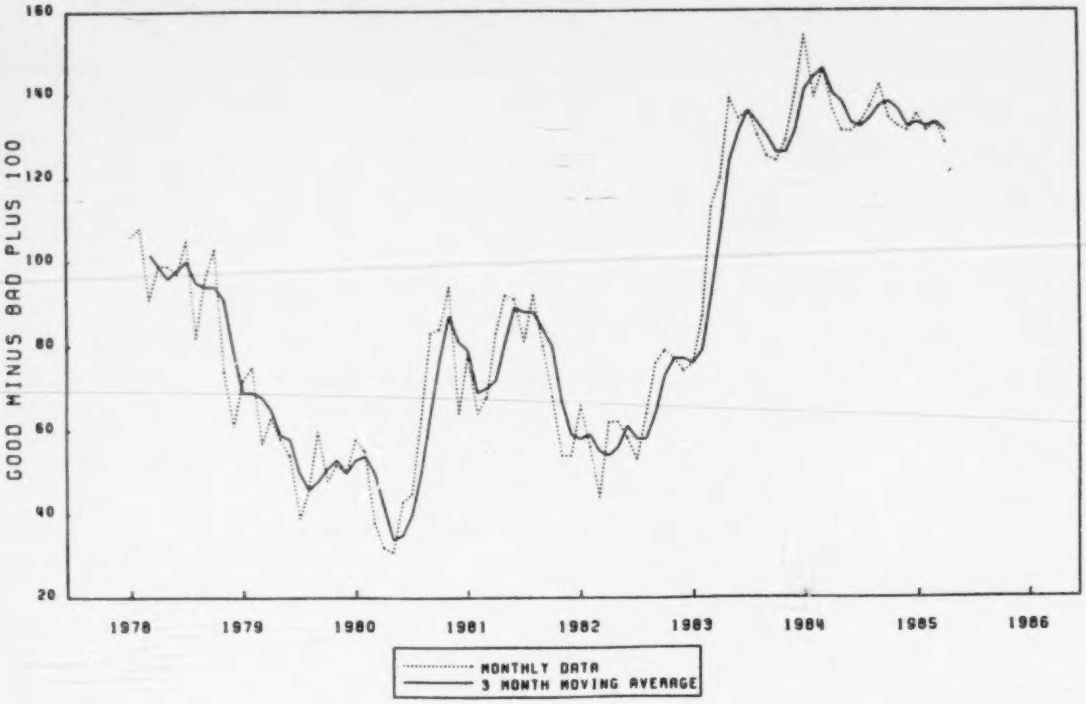


CHART 18 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

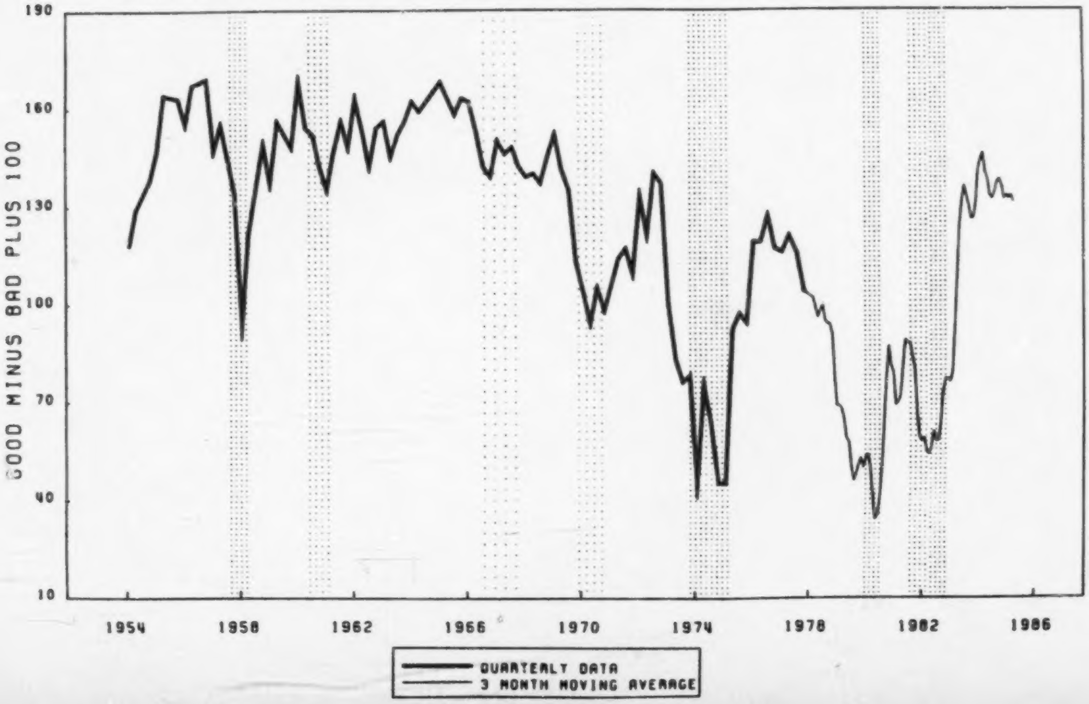


TABLE 18

BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
GOOD TIMES	63%	60%	60%	61%	62%	66%	60%	59%	59%	63%	62%	62%	58%
UNCERTAIN; GOOD & BAD	3	3	2	2	3	3	4	3	3	4	2	2	3
BAD TIMES	27	29	29	28	25	24	26	27	28	28	31	29	30
DON'T KNOW	5	5	6	6	7	6	6	7	7	4	3	5	6
NOT ASCERTAINED	2	3	3	3	3	1	4	4	3	1	2	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES

BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

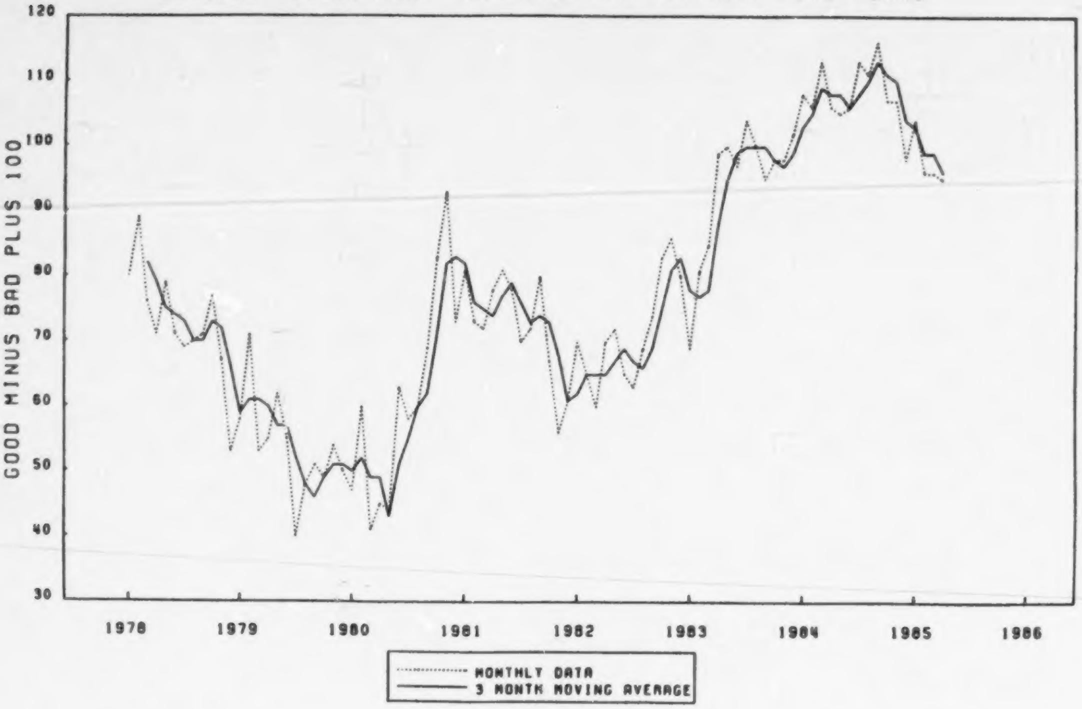


CHART 19 - HISTORICAL SERIES

BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

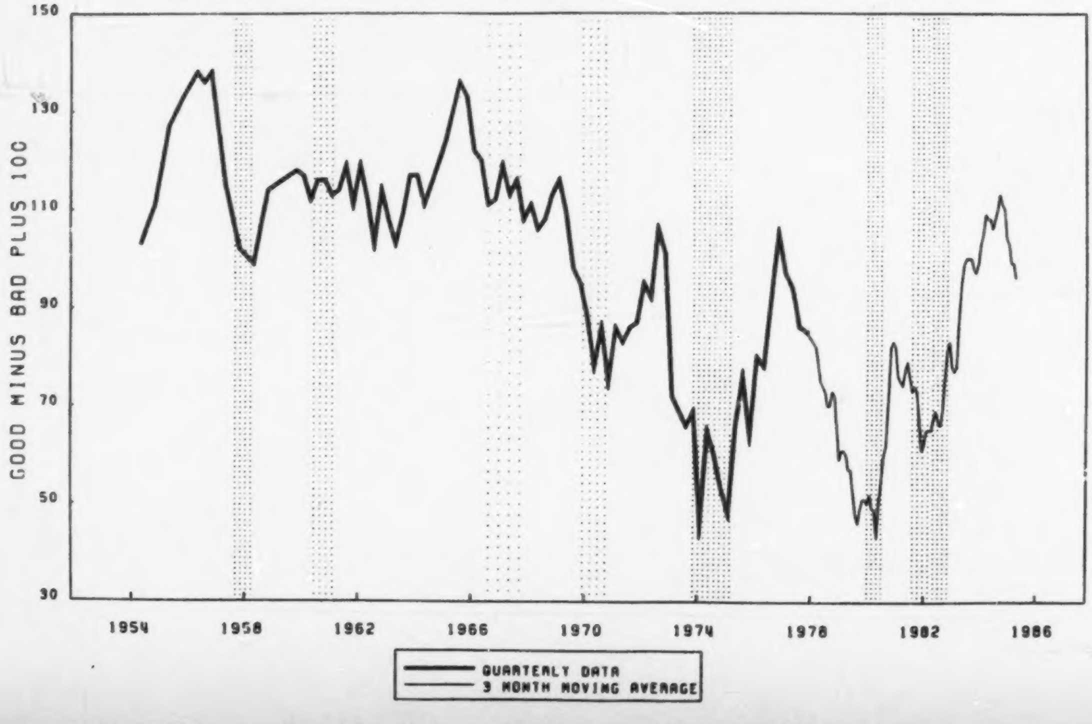


TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
GOOD TIMES	41%	43%	42%	44%	47%	47%	43%	42%	39%	43%	41%	40%	39%
UNCERTAIN; GOOD & BAD	19	15	17	19	13	17	17	17	15	15	11	13	14
BAD TIMES	35	38	36	31	36	31	36	35	41	39	45	44	44
NOT ASCERTAINED	5	4	5	6	4	5	4	6	5	3	3	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

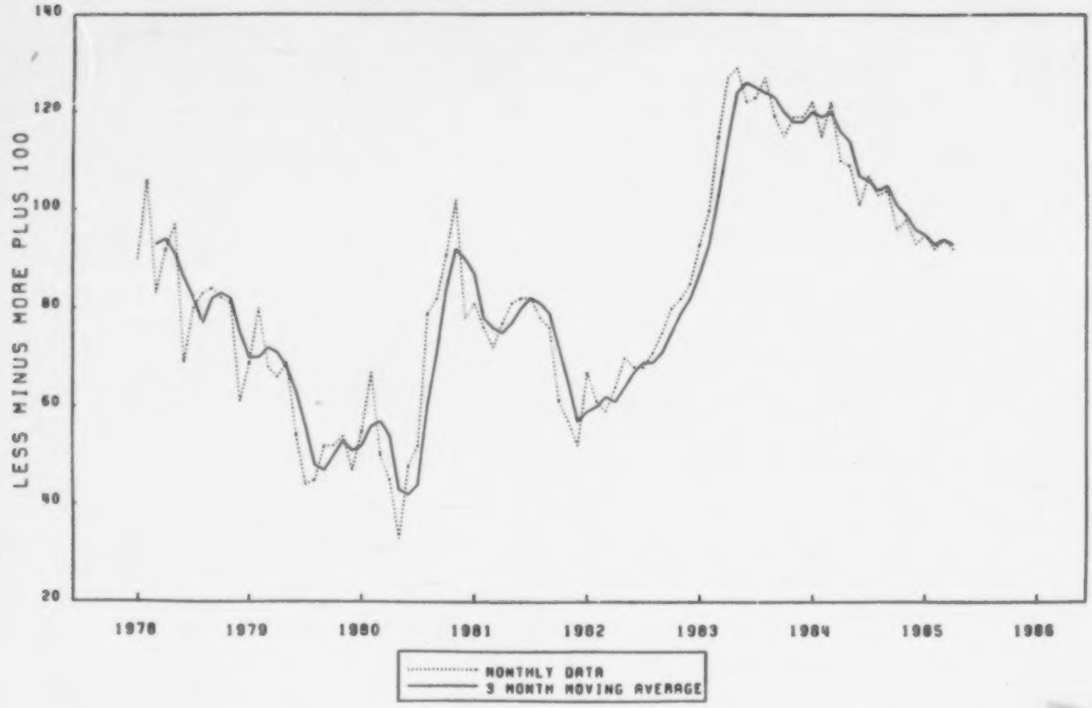


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

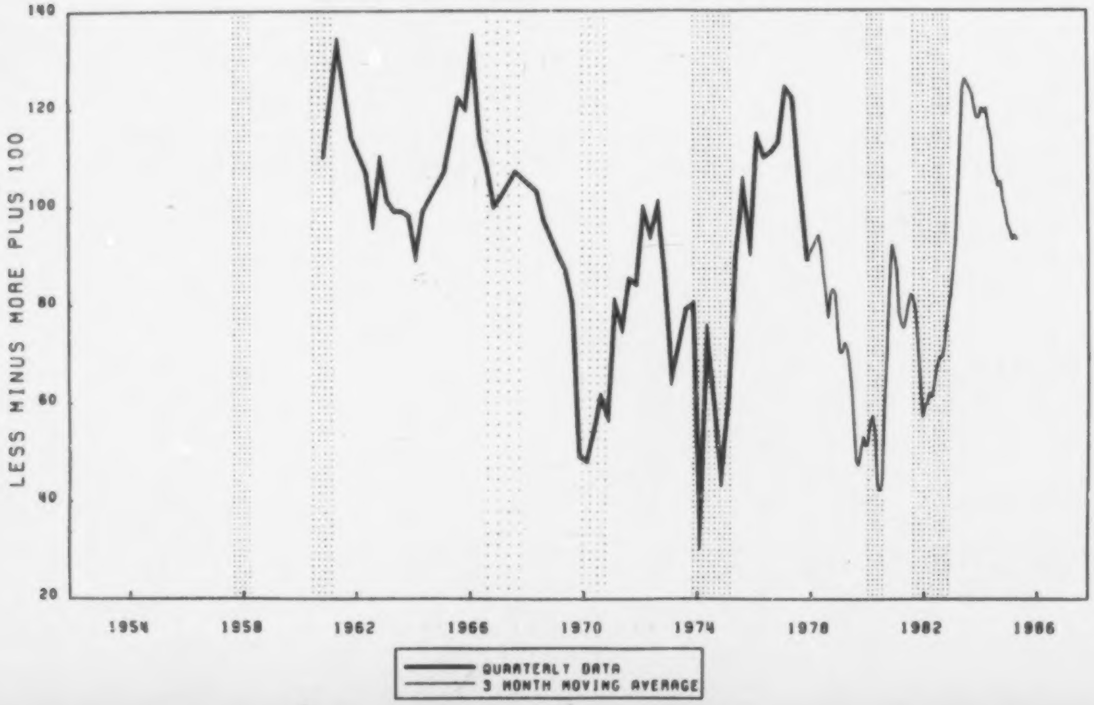


TABLE 20

EXPECTED CHANGE IN UNEMPLOYMENT

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
LESS	28%	29%	24%	26%	24%	26%	20%	22%	21%	20%	20%	23%	20%
SAME	52	51	52	53	54	50	54	52	50	54	50	47	50
MORE	18	20	23	19	21	22	24	24	28	25	28	29	28
DK,NA	2	*	1	2	1	2	2	2	1	1	2	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

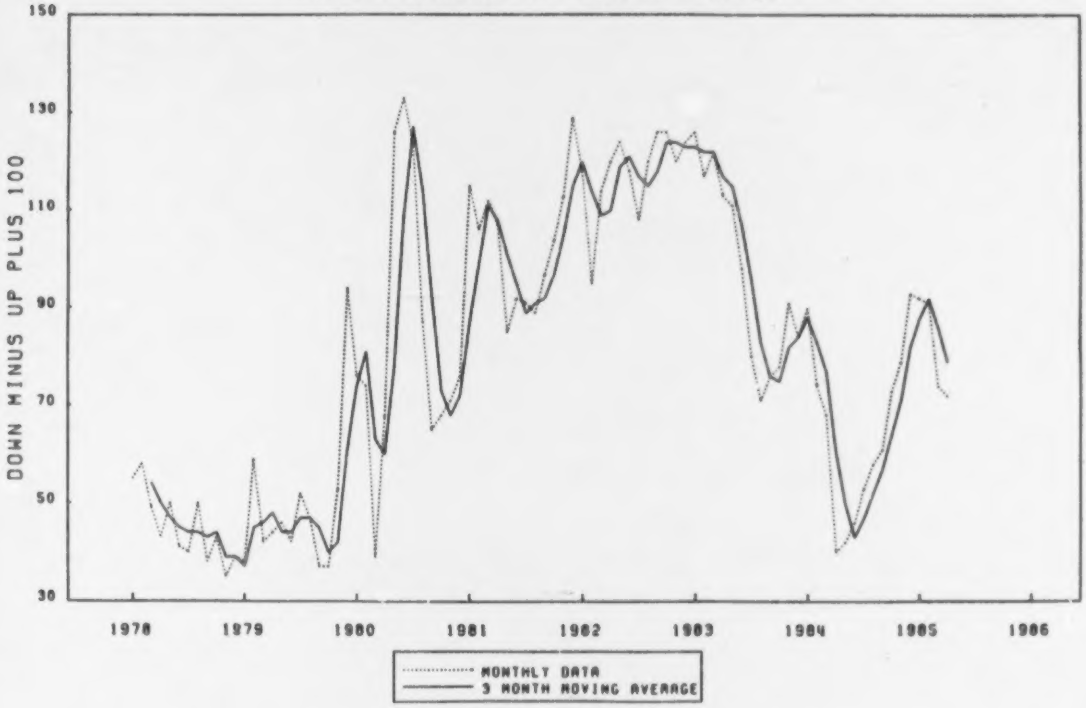


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

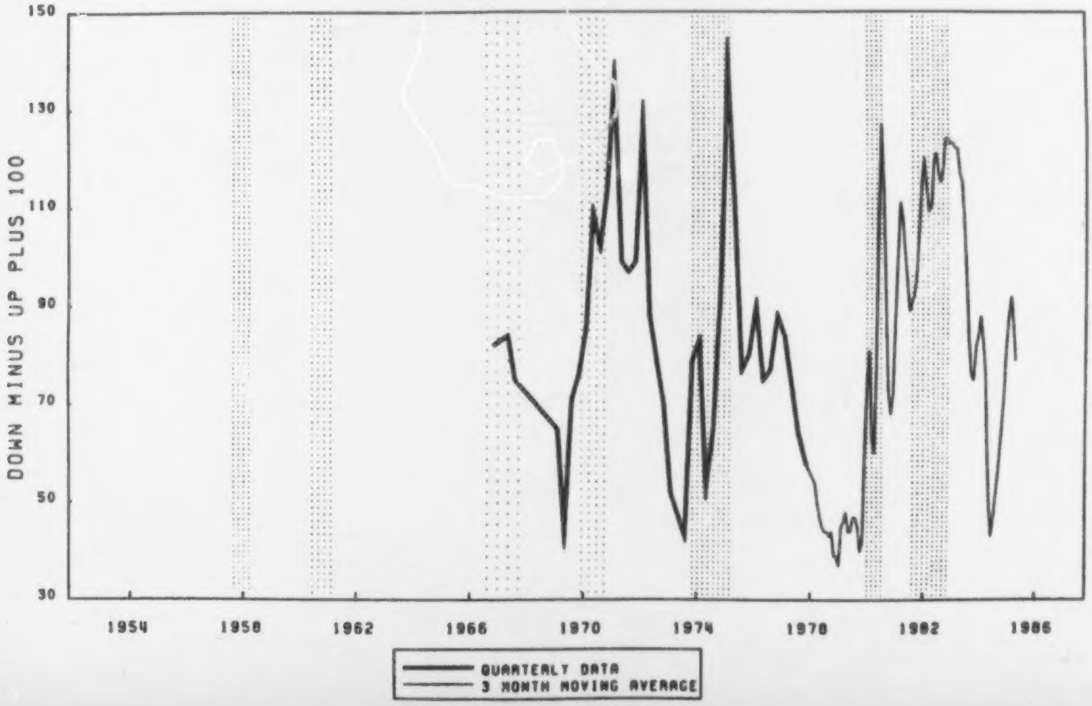


TABLE 21

EXPECTED CHANGE IN INTEREST RATES

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
GO UP	68%	66%	64%	58%	55%	52%	45%	44%	37%	36%	35%	45%	47%
STAY THE SAME	21	25	24	27	29	32	33	31	30	33	37	32	31
GO DOWN	8	8	10	11	13	13	18	23	30	28	26	19	19
DK,NA	3	1	2	4	3	3	4	2	3	3	2	4	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES
CHANGE IN PRICES DURING THE LAST 12 MONTHS

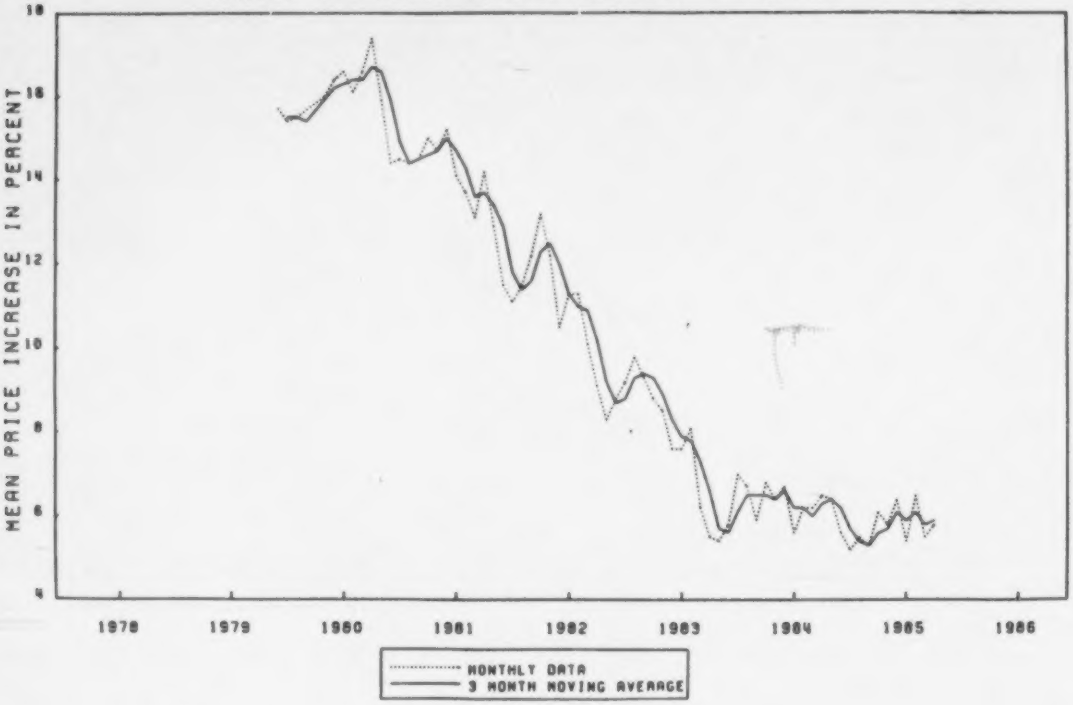


CHART 22 - HISTORICAL SERIES
CHANGE IN PRICES DURING THE LAST 12 MONTHS

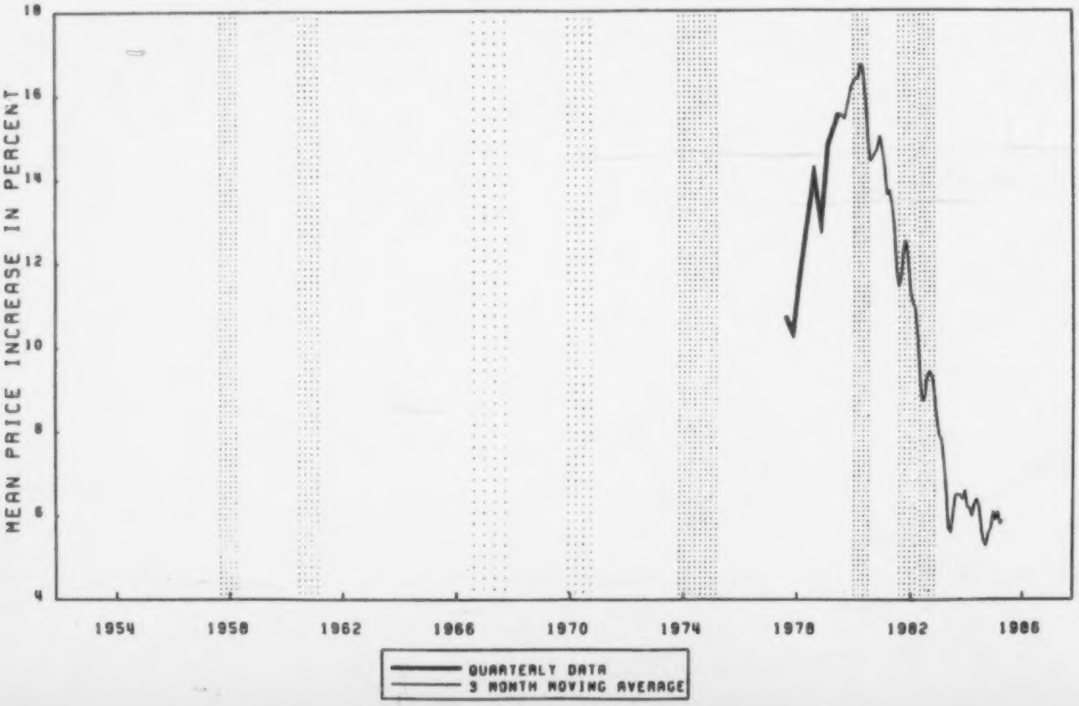


TABLE 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
SAME OR DOWN	22%	23%	22%	27%	29%	29%	28%	27%	24%	25%	25%	28%	24%
GONE UP BY:													
1-2%	10	10	12	8	10	9	9	11	9	11	11	11	10
3-4%	14	14	17	17	12	16	15	15	14	17	16	18	17
5%	17	17	16	16	18	16	13	14	18	17	13	14	16
6-9%	11	9	8	8	8	7	7	5	6	7	8	5	8
10-14%	9	13	12	11	11	9	11	11	11	10	11	10	13
15% or more	12	10	8	8	7	8	11	10	10	8	11	9	8
DK how much up	5	4	5	4	5	6	5	6	7	5	4	5	4
DK,NA	*	*	*	1	*	*	1	1	1	*	1	*	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	6.5	6.4	5.6	5.2	5.5	5.3	6.1	5.8	6.4	5.4	6.5	5.5	5.8
VARIANCE	75	78	54	48	75	63	84	76	86	66	93	72	64
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

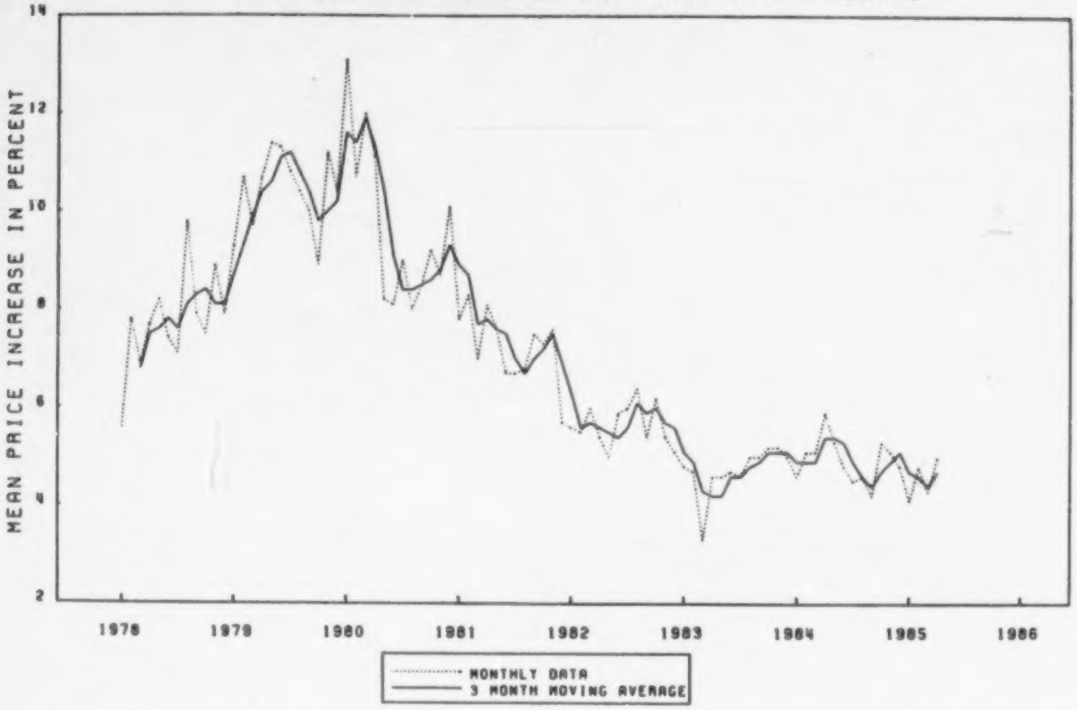


CHART 23 - HISTORICAL SERIES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

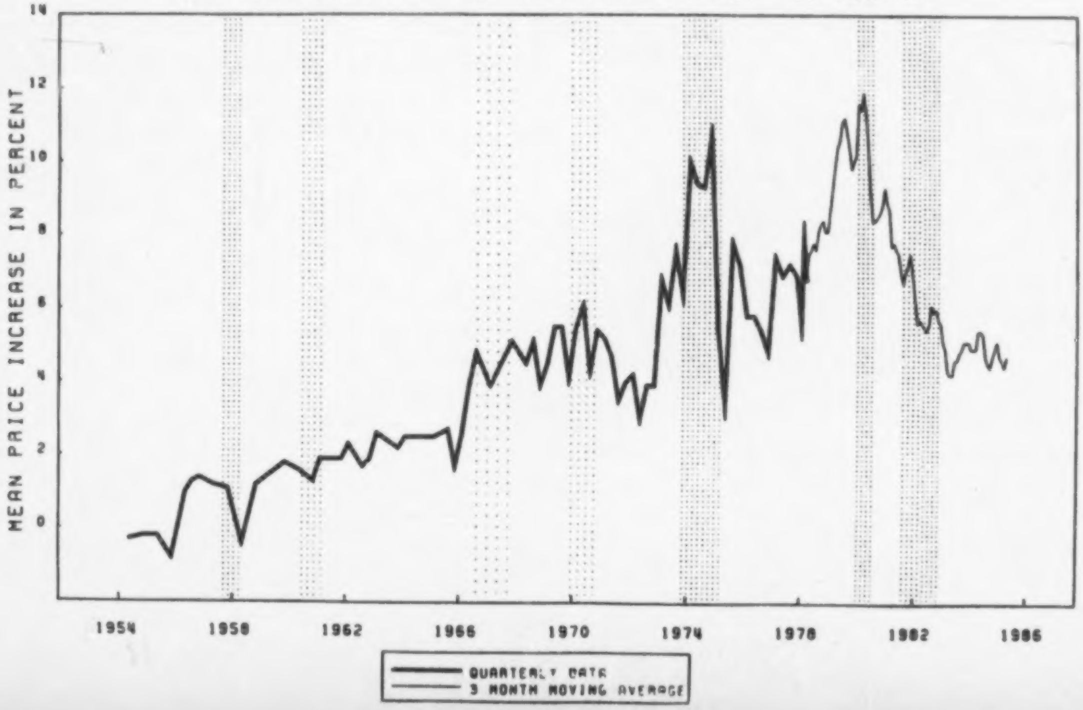


TABLE 23

EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
SAME OR DOWN	19%	19%	19%	23%	24%	24%	22%	23%	25%	26%	25%	26%	22%
WILL GO UP BY:													
1-2%	13	15	14	13	18	16	13	14	13	16	14	15	13
3-4%	17	15	16	17	15	19	15	17	17	20	19	19	20
5%	15	20	18	20	18	14	18	18	16	15	15	15	16
6-9%	12	11	11	8	6	8	9	6	9	6	6	6	8
10-14%	11	9	13	8	8	8	10	9	9	7	10	9	11
15% or more	8	6	4	5	5	4	7	7	5	4	6	6	6
DK how much up	3	4	4	3	5	4	4	4	4	4	4	4	3
DK,NA	2	1	1	3	1	3	2	2	2	2	1	*	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	5.9	5.3	4.8	4.5	4.6	4.2	5.3	5.1	4.8	4.1	4.8	4.3	5.0
VARIANCE	57	49	27	33	46	36	53	47	44	36	51	34	44
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

* : Less than half of one percent.

CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

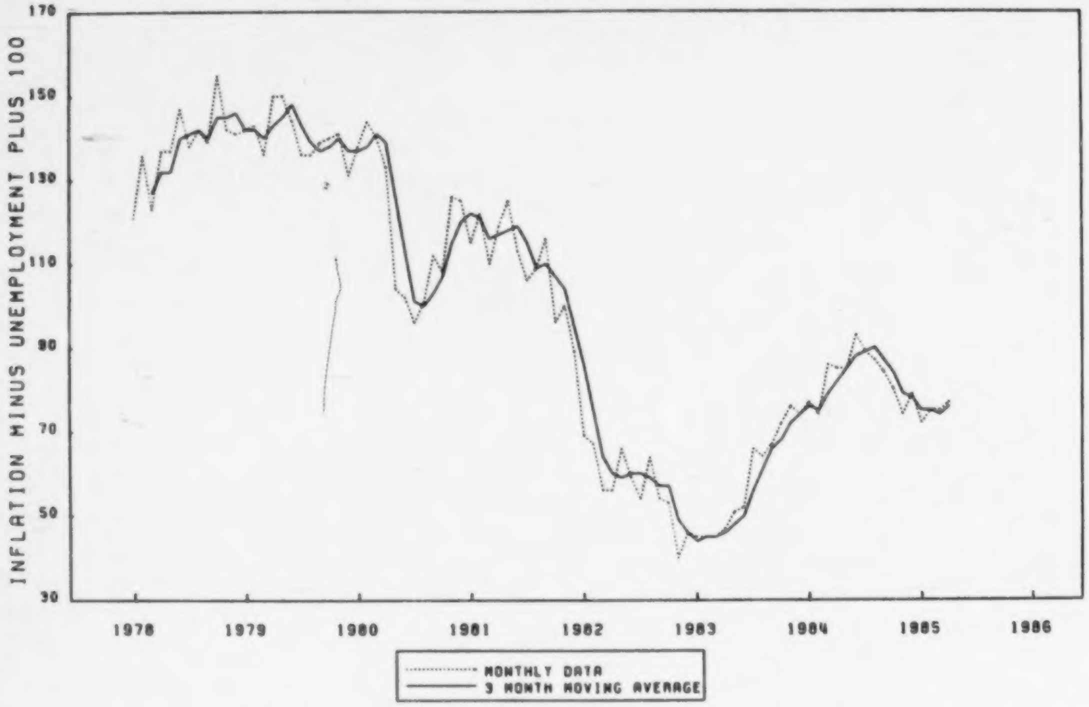


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

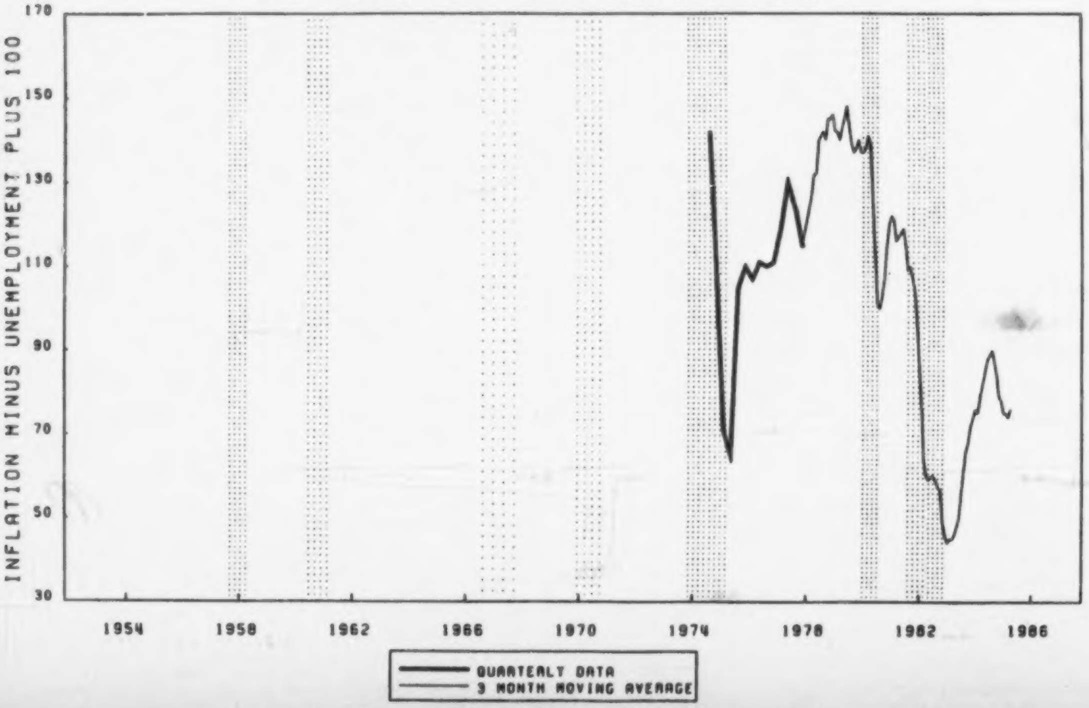


TABLE 24

UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
UNEMPLOYMENT	53%	54%	51%	51%	52%	54%	55%	59%	56%	60%	58%	59%	57%
BOTH EQUALLY SERIOUS	7	6	3	7	6	5	8	7	6	6	5	5	6
INFLATION	38	39	44	40	39	38	35	33	35	32	33	34	34
DK,NA	2	1	2	2	3	3	2	1	3	2	4	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

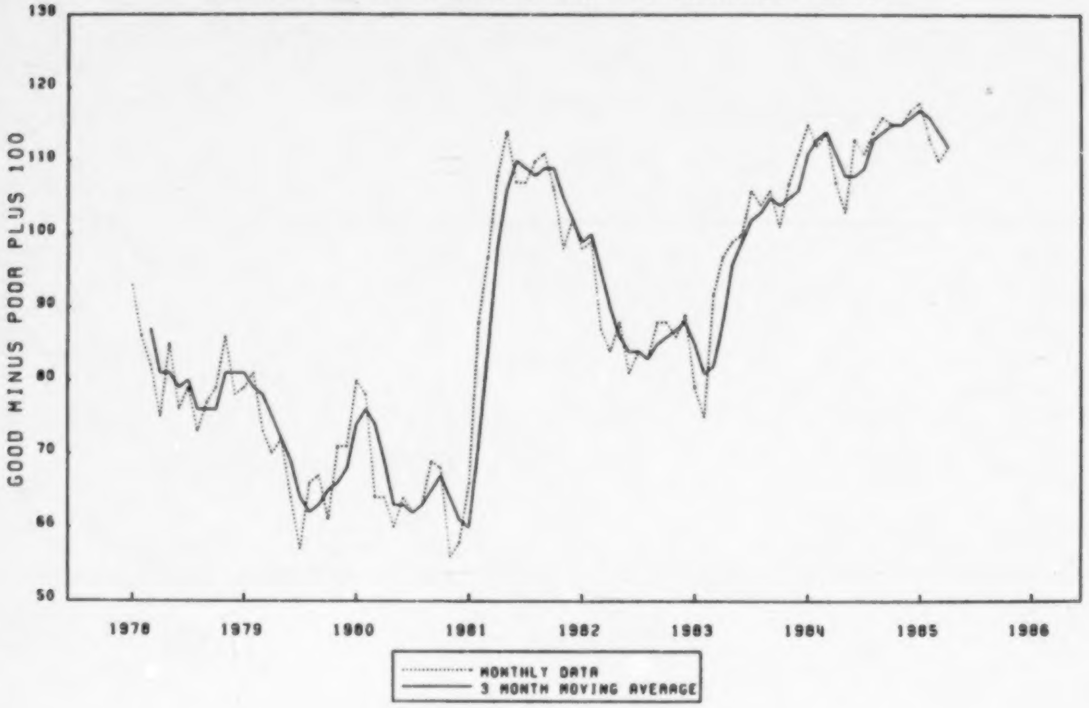


CHART 25 - HISTORICAL SERIES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

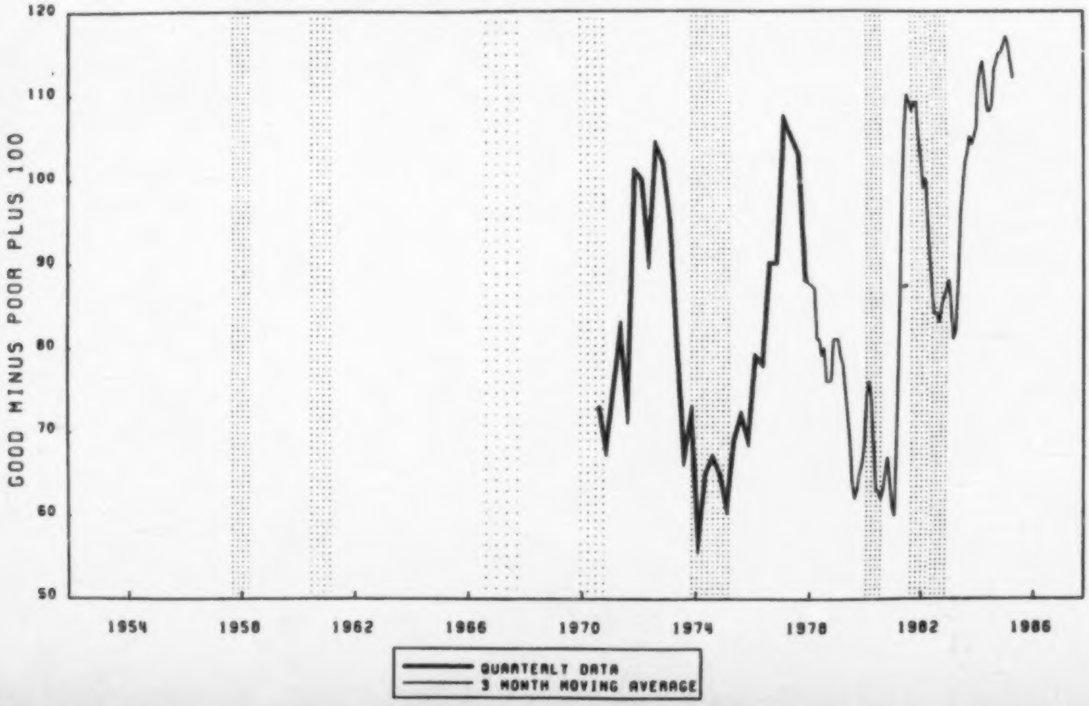


TABLE 25

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
A GOOD JOB	27%	25%	31%	30%	33%	35%	36%	32%	33%	34%	33%	32%	30%
ONLY FAIR	50	52	49	48	46	44	41	50	49	49	46	43	50
A POOR JOB	20	22	18	19	19	19	21	17	16	16	20	22	18
DK,NA	3	1	2	3	2	2	2	1	2	1	1	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

a

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

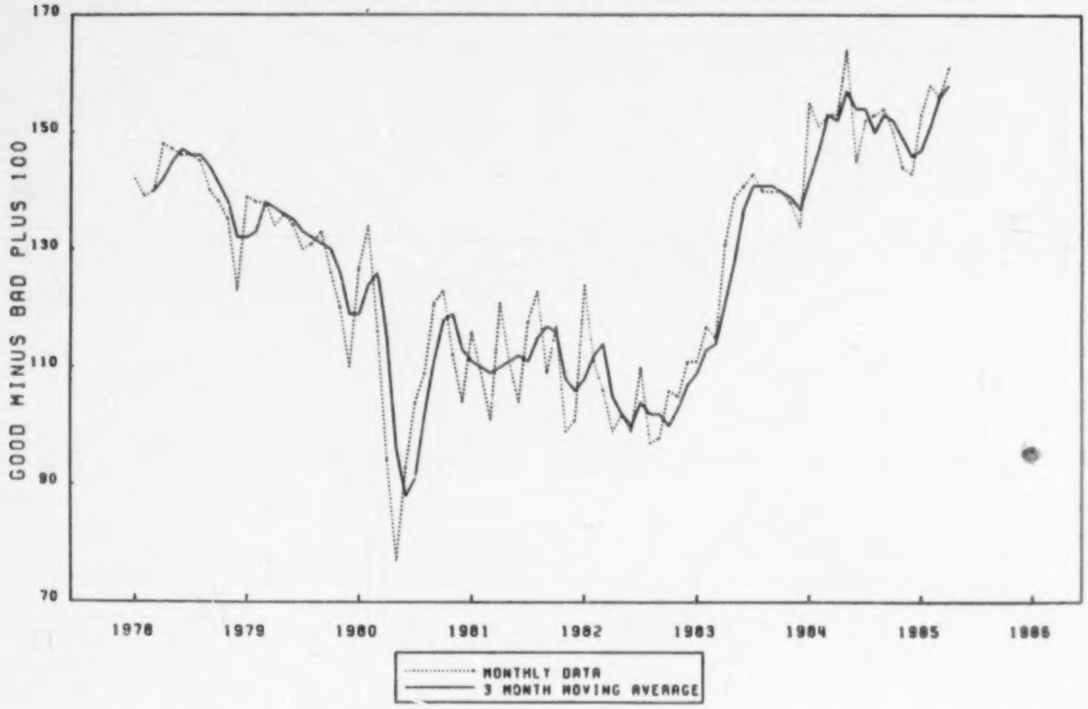


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

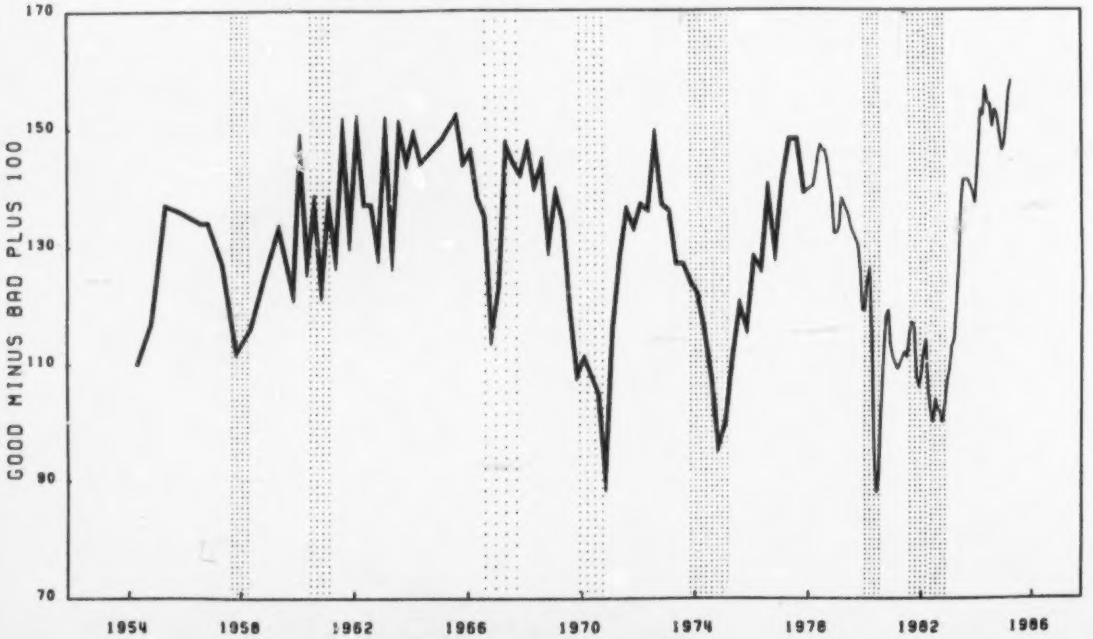


TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
GOOD TIME TO BUY	72%	77%	67%	71%	72%	72%	70%	67%	67%	73%	75%	74%	77%
UNCERTAIN, DEPENDS	9	10	11	10	9	10	10	10	9	7	8	8	7
BAD TIME TO BUY	19	13	22	19	19	18	20	23	24	20	17	18	16
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

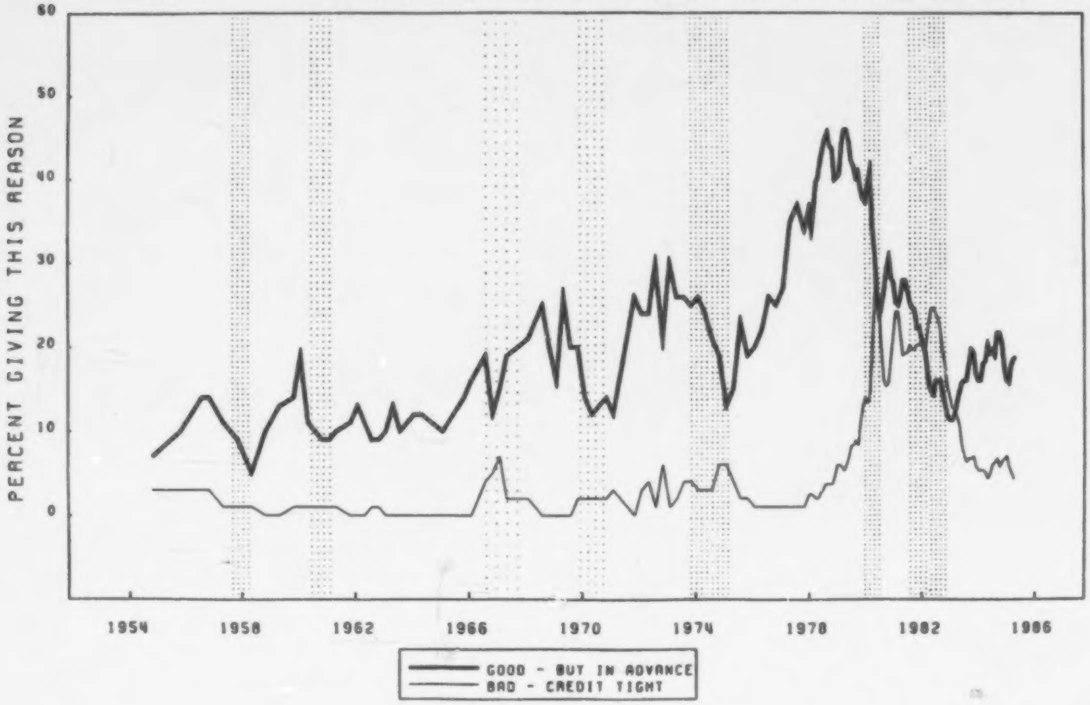


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

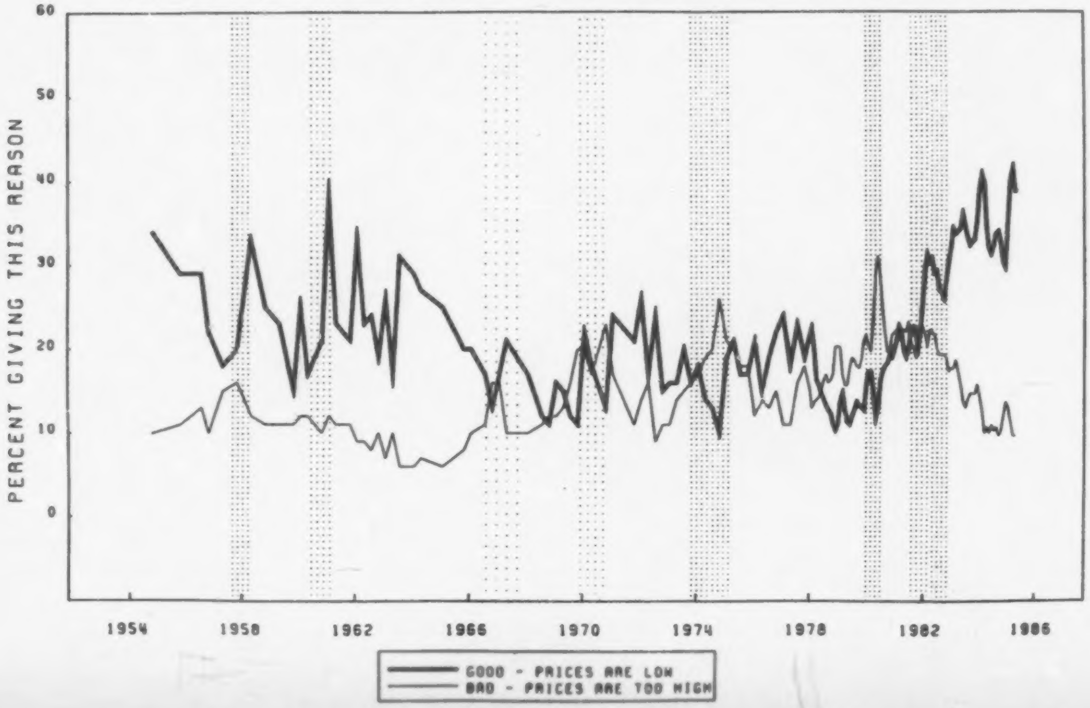


TABLE 27

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	30%	31%	33%	33%	35%	34%	29%	28%	32%	45%	43%	36%	37%
Prices won't come down; are going higher	20	22	16	21	20	24	21	17	15	16	16	22	18
Interest rates low; credit is easy	14	11	11	10	8	8	11	11	10	11	11	10	13
BAD TIME TO BUY:													
Prices are high	12	8	13	10	9	10	12	14	15	10	9	10	10
Interest rates are high; credit is tight	5	5	5	8	6	6	5	8	7	6	4	5	4
Lack of purchasing power	6	5	7	5	7	7	7	7	7	10	6	7	6

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

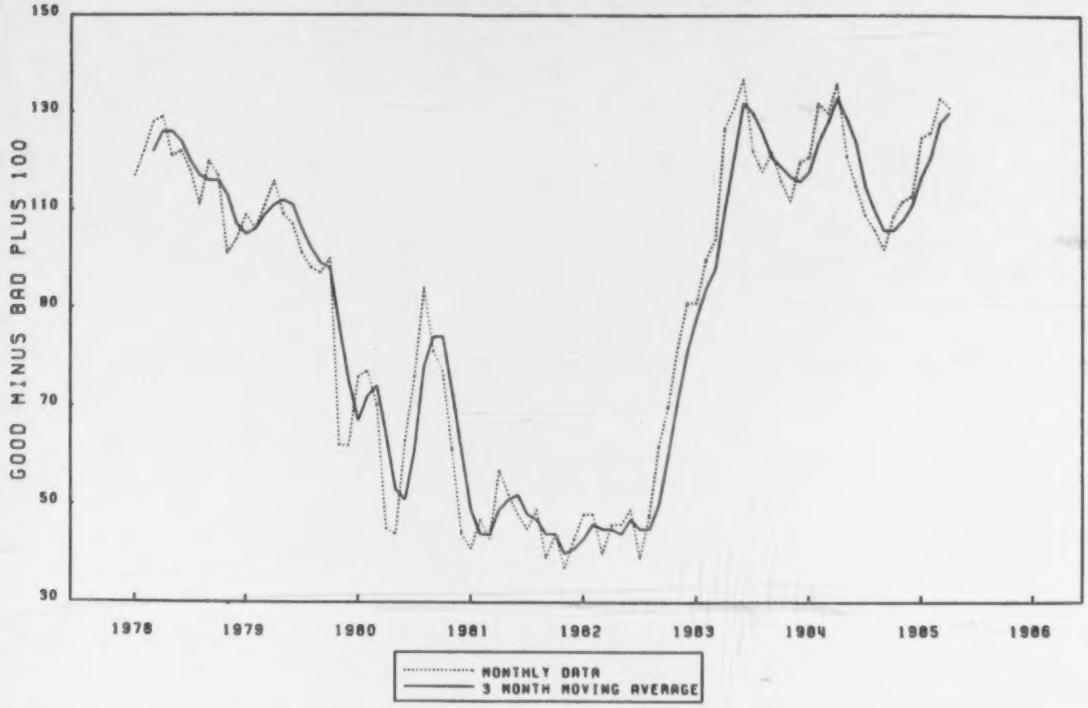


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

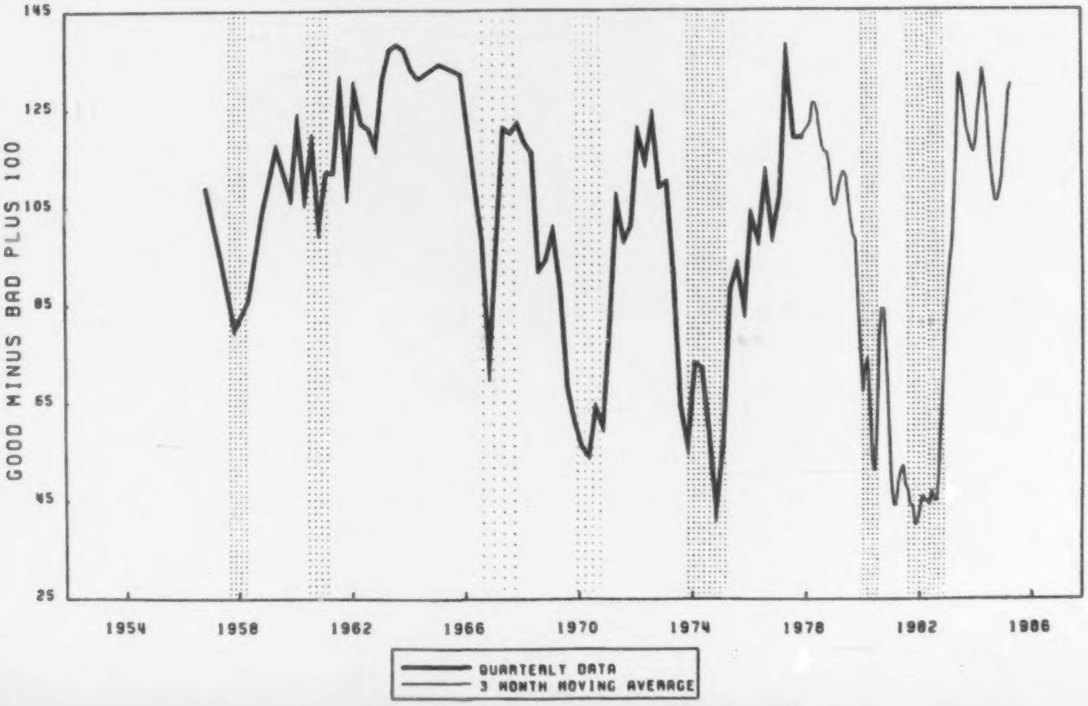


TABLE 28

BUYING CONDITIONS FOR HOUSES

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
GOOD TIME TO BUY	66%	58%	55%	52%	50%	48%	52%	54%	54%	61%	61%	64%	64%
UNCERTAIN, DEPENDS	4	5	5	5	6	6	5	4	5	3	4	5	3
BAD TIME TO BUY	30	37	40	43	44	46	43	42	41	36	35	31	33
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

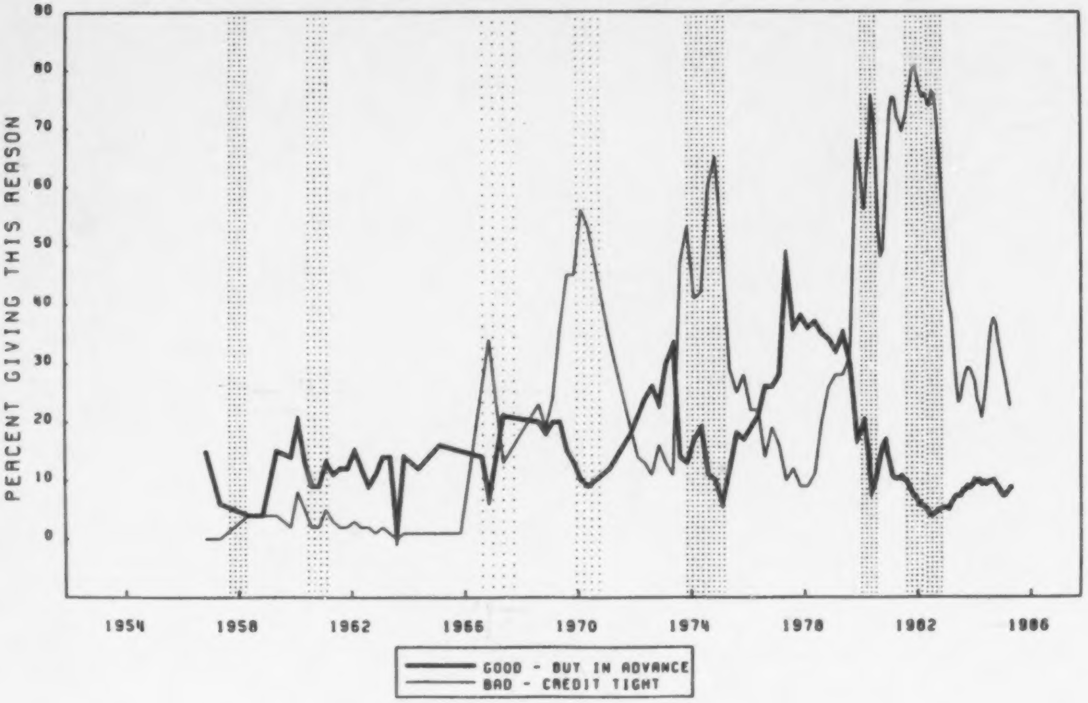


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

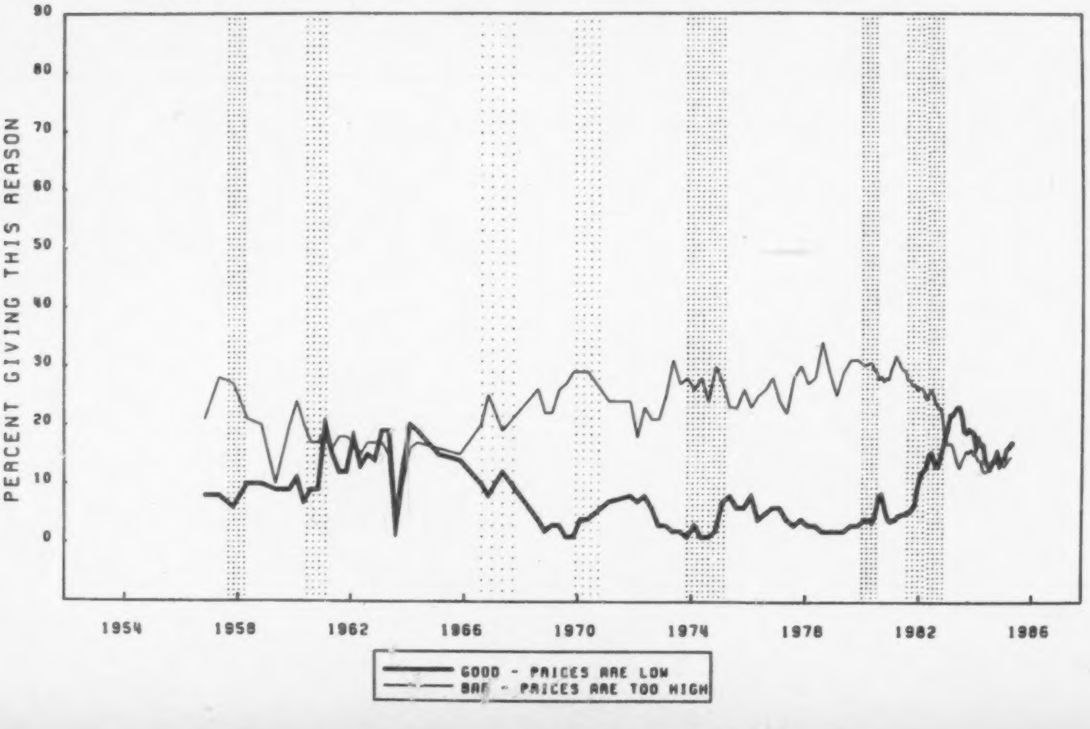


TABLE 29

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	15%	12%	13%	13%	15%	14%	15%	11%	17%	15%	16%	18%	17%
Prices won't come down; are going higher	10	9	9	11	9	10	9	7	8	7	7	10	9
Interest rates low; credit is easy	52	44	38	37	35	34	35	44	38	49	50	48	47
Good investment	6	5	8	5	4	7	5	7	5	6	6	7	6
BAD TIME TO BUY:													
Prices are high	11	12	14	12	16	16	16	12	13	14	14	15	15
Interest rates are high; credit is tight	20	29	33	36	40	37	33	31	30	27	25	22	21
Lack of purchasing power	10	12	10	11	11	11	10	13	13	12	11	9	12

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

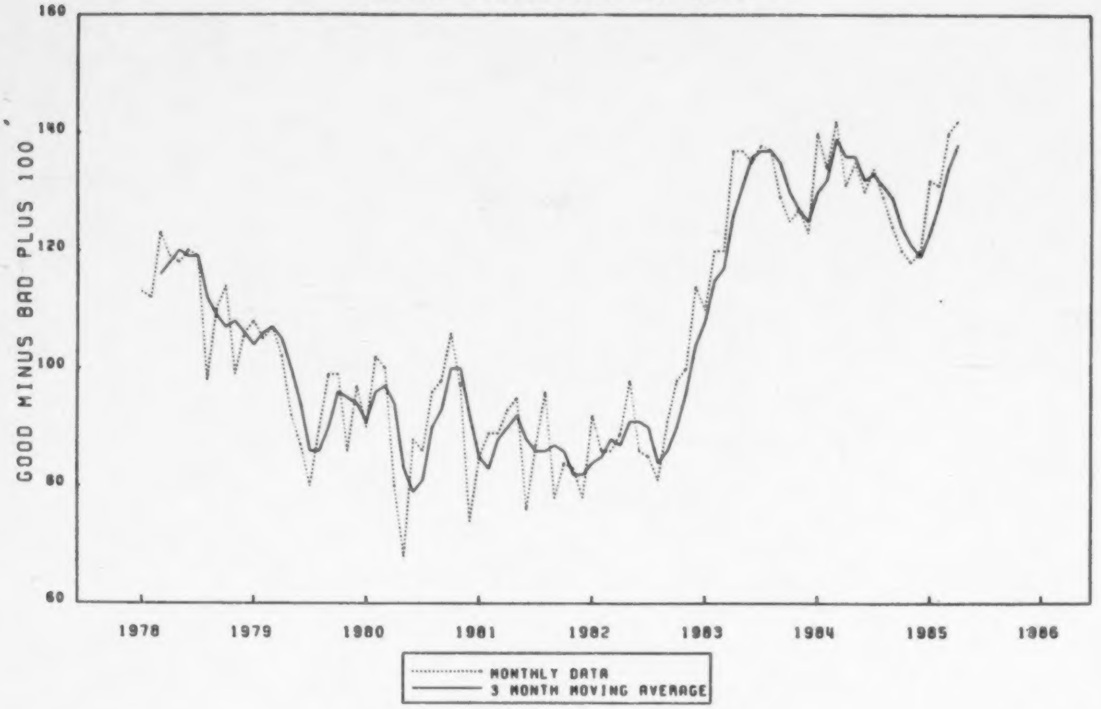


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

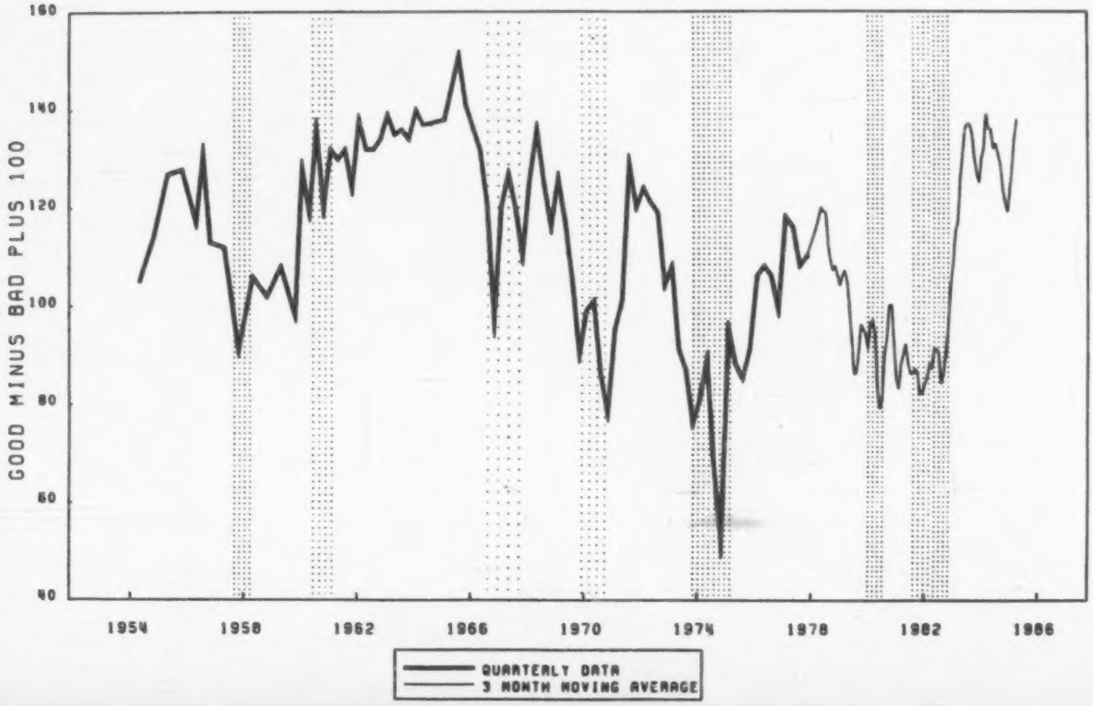


TABLE 30

BUYING CONDITIONS FOR CARS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
GOOD TIME TO BUY	60%	63%	60%	62%	59%	59%	54%	55%	55%	62%	61%	67%	68%
UNCERTAIN; DEPENDS	11	9	10	10	11	6	12	8	10	8	9	6	6
BAD TIME TO BUY	29	28	30	28	30	35	34	37	35	30	30	27	26
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

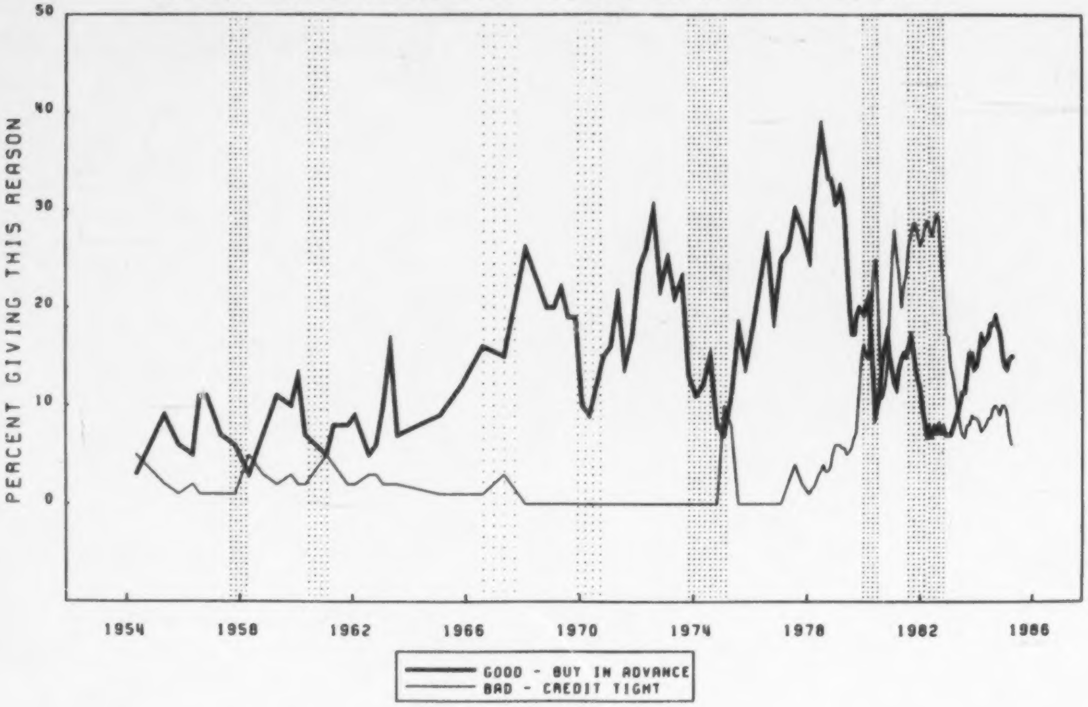


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

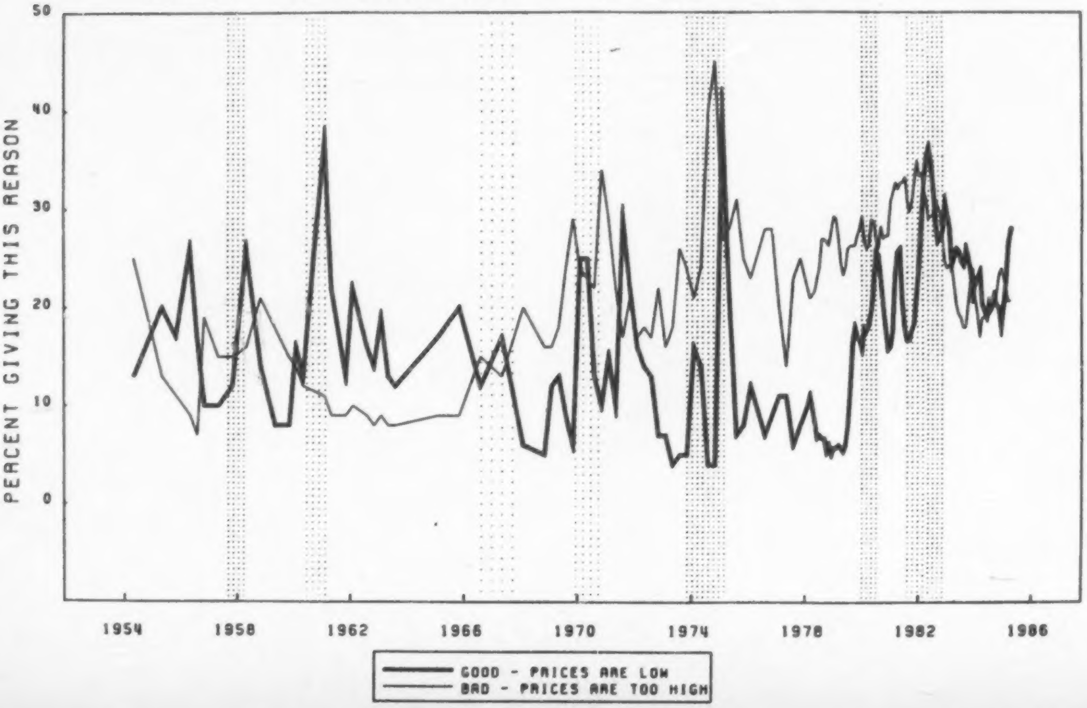


TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	16%	20%	21%	21%	19%	24%	18%	18%	18%	24%	26%	30%	28%
Prices won't come down; are going higher	16	17	18	20	17	20	17	15	14	13	14	17	14
Interest rates low; credit is easy	22	18	18	24	17	15	14	18	15	23	24	23	25
New fuel efficient models	1	3	1	1	2	1	2	*	2	*	1	1	1
BAD TIME TO BUY:													
Prices are high	22	18	20	20	19	22	23	25	24	21	21	20	21
Interest rates are high; credit is tight	9	9	8	9	12	9	8	10	12	8	8	5	5
Lack of purchasing power	4	5	4	4	5	6	6	8	7	7	6	6	4
Price of gas; shortages	*	*	*	*	1	*	*	*	*	*	*	*	*
Poor selection; quality	6	2	2	4	4	3	3	5	4	4	4	3	4

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

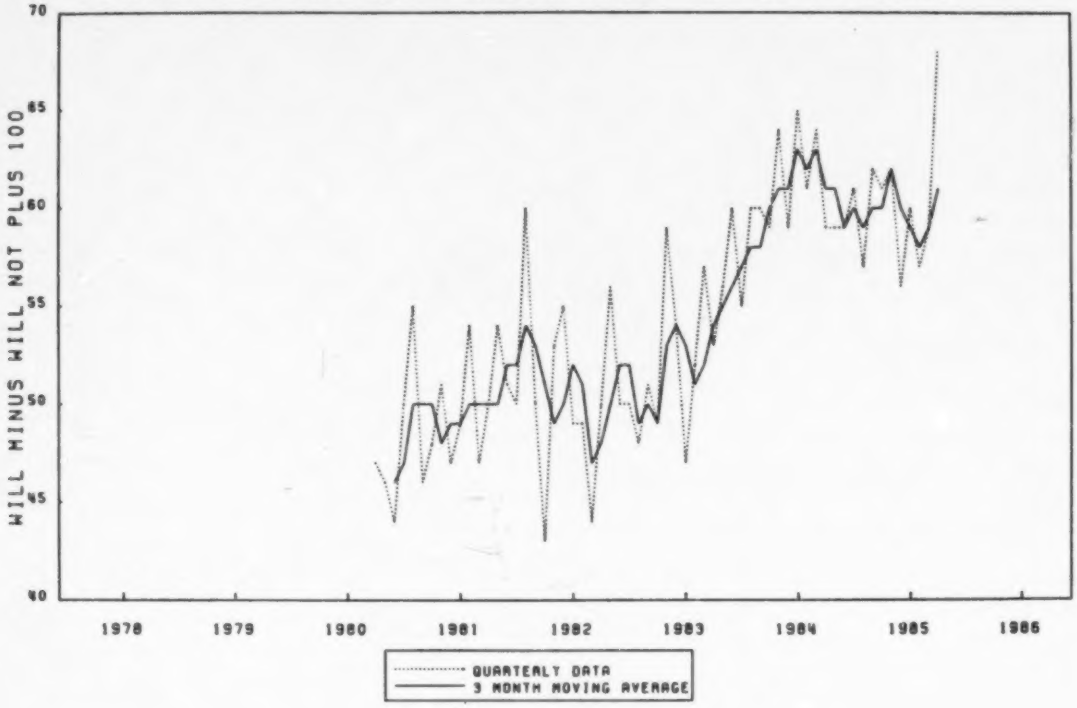


CHART 32 - HISTORICAL SERIES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

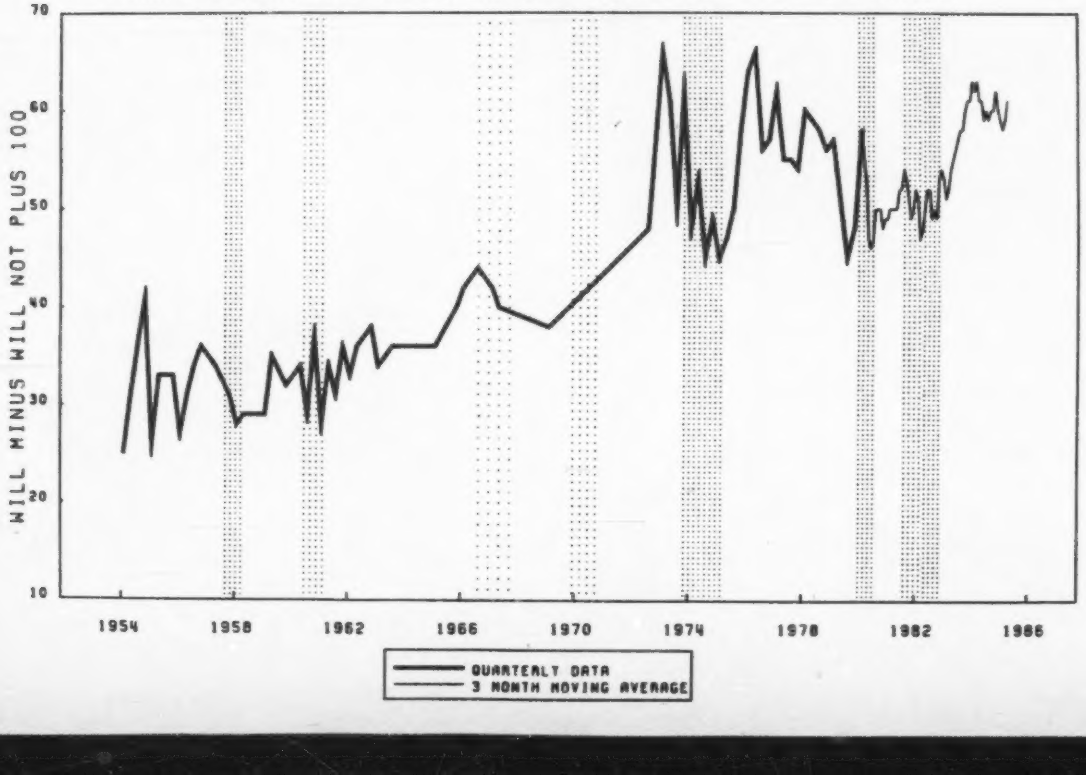


TABLE 32

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
PROBABLY WILL BUY	21%	19%	20%	20%	21%	22%	21%	21%	19%	20%	19%	20%	24%
CHANCES ARE EVEN	6	12	9	9	7	8	8	9	9	9	9	8	7
PROBABLY WILL NOT BUY	62	60	61	59	64	60	60	59	63	60	62	61	56
DK,NA	11	9	10	12	8	10	11	11	9	11	10	11	13
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
PROPORTION WITH CURRENT PURCHASE INTENTIONS:	27%	31%	29%	29%	28%	30%	29%	30%	28%	29%	28%	28%	31%
PURCHASE TYPE:													
Buy new	13	15	16	15	15	14	15	15	13	17	15	14	17
Buy used	12	14	11	12	11	13	12	13	13	11	11	13	12
Lease	1	2	1	2	1	2	2	1	1	1	1	1	1
DK,NA	1	*	1	*	1	1	*	1	1	*	1	*	1
PURCHASE TIMING:													
Next 3 months	7	3	2	7	3	1	6	5	3	5	4	2	8
Next 4-6 months	6	9	8	6	5	8	6	7	6	8	9	8	9
Next 7-9 months	6	7	9	3	4	5	7	7	10	7	8	11	6
10 months or more	4	6	4	7	8	10	4	8	7	5	4	5	3
DK,NA	4	6	6	6	8	6	6	3	2	4	3	2	5

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
PROPORTION WITH FUTURE PURCHASE INTENTIONS:	62%	60%	61%	59%	64%	60%	60%	59%	63%	60%	62%	61%	56%
PURCHASE TYPE:													
Would buy new	34	33	36	35	33	34	31	33	34	35	32	35	34
Would buy used	27	26	24	22	29	25	27	25	28	25	28	25	21
DK,NA	1	1	1	2	2	1	2	1	1	*	2	1	1
PURCHASE TIMING:													
Less than 2 years	10	5	7	5	8	5	7	7	7	8	9	6	5
2 years	20	22	21	18	25	21	21	20	23	18	19	21	21
3 years	9	9	8	10	8	11	10	9	10	9	10	10	11
4 years or more	17	18	17	18	15	17	16	17	15	19	17	19	14
Indefinite	1	2	2	3	3	2	1	2	3	2	2	2	1
DK,NA	5	4	6	5	5	4	5	4	5	4	5	3	4

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

CHART 1 - RECENT CHANGES

THE INDEX OF CONSUMER SENTIMENT

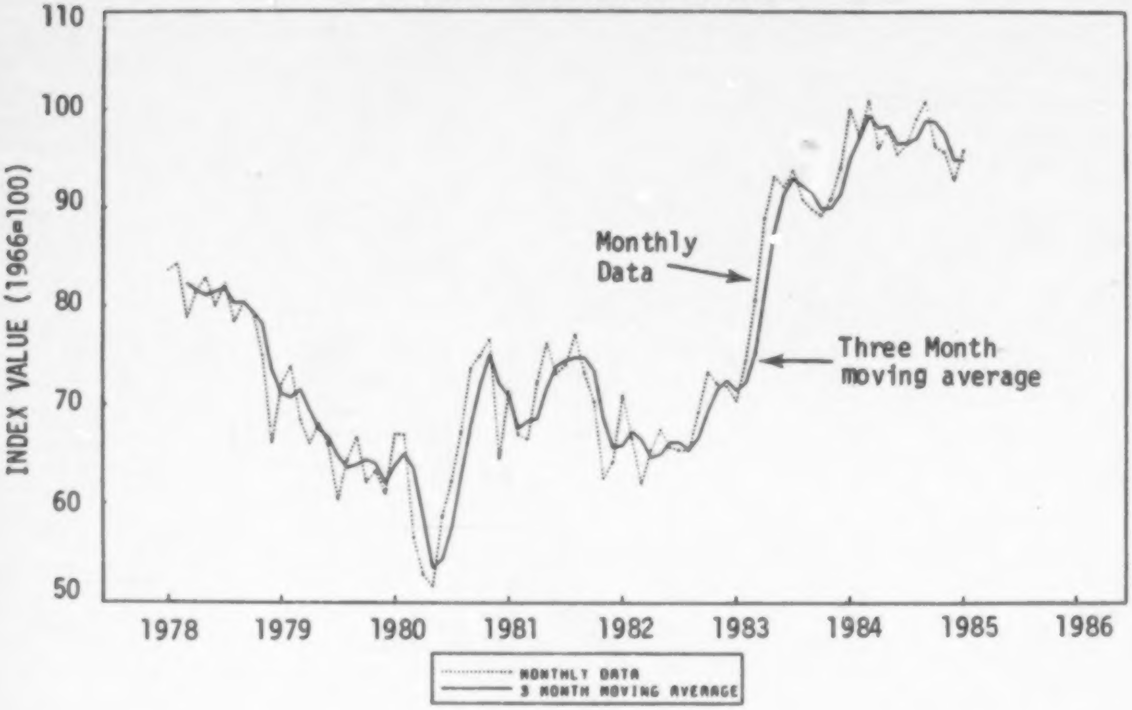
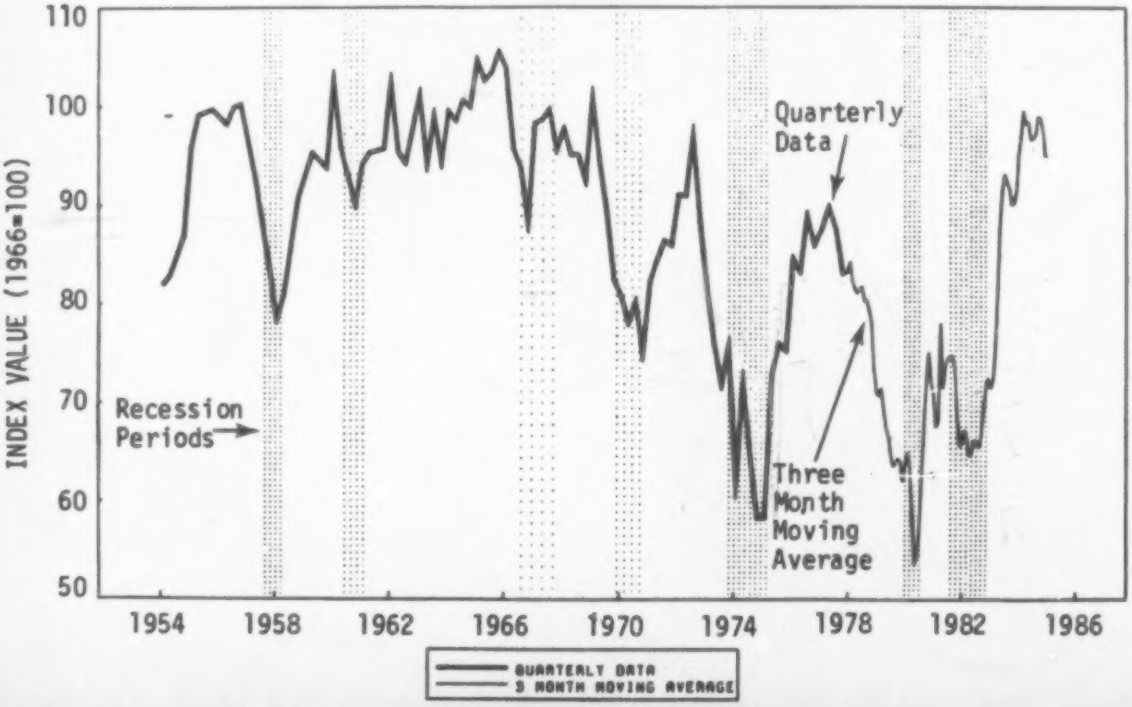


CHART 1 - HISTORICAL SERIES

THE INDEX OF CONSUMER SENTIMENT



DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES: November 1948 - October 1949
July 1953 - May 1954
August 1957 - April 1958
April 1960 - February 1961
June 1966 - November 1967*
December 1969 - November 1970
November 1973 - March 1975
January 1980 - July 1980
July 1981 - November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

Reported Percentages	Number of Interviews		
	700[b]	1,400[c]	2,100[d]
50	4.2	3.2	2.8
30 or 70	3.8	2.9	2.5
20 or 80	3.4	2.6	2.2
10 or 90	2.5	1.9	1.6
5 or 95	1.8	1.4	1.2

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

5/9/85 U7475-2A

May 3, 1985

APRIL 1985 MONTHLY REPORT

Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

SPRING FEVER

- In the April 1985 survey, the Index of Consumer Sentiment was 94.6, insignificantly different from the 93.7 recorded one and two months earlier, and the 96.1 recorded one year earlier. Although the Index has lost nearly 7 points from the recent cyclical peak, it remains nearly 30 Index-points above the April 1982 level of 65.5. Attitudes toward buying conditions have rebounded to record favorable levels due to the widespread availability of price and interest rate discounts.

- Among households with incomes of $25,000 or more, the Index stood at 107.9 in the April 1985 survey, just below the 108.8 recorded in March 1985, and above the 105.5 recorded in April 1984.

- Favorable attitudes toward buying conditions for vehicles were held by 68 percent of all families in the April 1985 survey, a new all-time record level. Moreover, specific vehicle purchase intentions were held by 24 percent of all families in the April 1985 survey, also establishing a new all-time record level. The major reason for this third consecutive Spring resurgence in favorable buying attitudes has been the increased availability of price discounts and reduced interest rates on vehicle loans.

- Attitudes toward buying conditions for large household durables improved in the April survey, and regained the all-time record set in May of 1984. Among all families, 77 percent favorably rated buying conditions for household durables in the April 1985 survey, with the availability of low prices the most common explanation.

● ● ●

The maintenance of consumer sentiment at near record favorable levels points toward continued high levels of sales throughout 1985. The widespread availability of discounted prices and interest rates has restored buying attitudes to the cyclical peak levels recorded one and two years earlier. Personal financial progress has slowed, but the financial situation of families remains strong. Although the economic slowdown is expected to persist during the year ahead, no recession is expected. Trends in interest rates on consumer loans will continue to influence the evolving pace of demand, and less favorable job prospects are viewed by consumers as the primary source of future adversity.

Monitoring Economic Change Program
Institute for Social Research • P.O. Box 1248 • Ann Arbor, Michigan 48106-1248 • (313) 763-5224

Spring Rebound Continues in Buying Attitudes

Attitudes toward buying conditions improved in the March and April 1985 surveys, and reestablished the record levels first recorded two years earlier. It was in the Spring of 1983 that attitudes toward buying conditions first reached record favorable levels. Following small declines during the balance of 1983, attitudes toward buying conditions rebounded to peak levels by the Spring of 1984. Small declines were again recorded in buying attitudes during the second half of 1984, and attitudes in early 1985 have again rebounded to peak levels. The major reason for the pattern of spring resurgences followed by declines later in the year has been changes in the frequency of reports of discounted prices and reduced interest rates.

The 1985 resurgence in favorable attitudes toward market conditions for large household durables has been primarily due to the appeal of price discounts, while recent improvements in home buying attitudes have been primarily due to more favorable perceptions of current mortgage interest rates. Car buying attitudes have improved due to the increased availability of both price discounts and reduced interest rates on vehicle purchases.

Vehicle Buying Attitudes Reach Record Level

More American families held favorable attitudes toward buying conditions for vehicles in the April 1985 survey than at any other time in the history of these surveys. Among all families in the April 1985 survey, 68 percent held favorable car buying attitudes, one percentage point above the old record of 67 percent set just last month, which had surpassed by one percentage point the prior record of 66 percent recorded in the Spring of the two prior years. In comparison, the highest proportion of families to report favorable car buying conditions prior to the past few years was 55 percent in the March 1978 survey.

The recent resurgence in favorable car buying attitudes has been due to more frequent references to the availability of discounts on prices and interest rates. Much of the recent improvement has been recorded since year end 1984. From the December 1984 survey to the April 1985 survey, the proportion of families that mentioned price discounts rose from 18 to 28 percent, while the proportion that referred to high prices fell from 24 to 21 percent. At the same time, the proportion of families that mentioned the availability of reduced interest rates on vehicle loans rose from 15 to 25 percent, while the proportion that referred to high interest rates fell from 12 to 5 percent.

In addition to favorable perceptions of market conditions, the highest proportion of households to ever report intentions to purchase vehicles was recorded in the April 1985 survey. Among all households, 24 percent stated that they would probably buy a vehicle during the next twelve months, above the prior record of 23 percent first set in the early 1970s and then reestablished at the start of 1984. Reports of the intended timing of the vehicle purchases were concentrated during the next six months, with the proportion that intend purchases of new vehicles regaining the cyclical peak first recorded in late 1983 (17 percent).

Buying Attitudes Toward Household Durables Regain Peak

Favorable attitudes toward buying conditions for large household durables were held by 77 percent of all families in the April 1985 survey, which reestablished the all-time record first set one year earlier. The proportion holding favorable buying attitudes declined late last year. dipping to 67 percent in the December 1984 survey. The 1985 resurgence has been primarily due to favorable perceptions of market prices for household durables. Among all families in the April 1985 survey, 37 percent mentioned the availability of reduced prices on household durables, below the all time record of 45 percent recorded at the start of 1985, but well above the levels which prevailed throughout much of the 1960s and 1970s. References to high prices as cause for postponement of purchases were made by just 10 percent of all families in the April 1984 survey.

Home Buying Attitudes Remain Favorable

Attitudes toward home buying conditions remained unchanged in the most recent survey, near cyclical peak levels. Among all families, 64 percent held favorable attitudes toward buying conditions for homes in the April survey, unchanged from the March reading. This proportion was just below the cyclical peak of 66 percent, recorded in both last April's survey and in the Spring of 1983. In mid 1984 the proportion holding favorable home buying attitudes slid to 48 percent, and the improvement since then can be traced to more favorable perceptions of mortgage interest rates. Among all families in the April 1985 survey, a total of 47 percent made favorable reference to mortgage interest rates, up from last year's low of 34 percent, and just below the year earlier figure of 52 percent. Although the total proportion that favorably referred to credit conditions has remained largely unchanged since the start of 1985, the proportion that referred to the current availability of reduced mortgage rates has fallen (from 42 to 34 percent), while the proportion that mentioned the advantages of borrowing in advance of expected increases in mortgage rates has risen (from 7 to 13 percent). The proportion that mentioned borrowing-in-advance rationales in April 1985 was, however, well below the record 23 percent recorded in April 1984 (see Table A).

Reversing the favorable trend recorded in late 1984, the proportion of families that expected increases in interest rates during the year ahead rose to 47 percent in April from 36 percent in January. The recent increase still leaves interest rate expectations short of the bleak outlook recorded in April 1984, when 68 percent expected increases. Declines in interest rates were expected by 19 percent of all families in the April 1985 survey, up from 8 percent one year earlier.

Slower Growth Means Fewer Job Prospects

In contrast to the recent resurgence in favorable buying attitudes, consumer evaluations of the performance of the domestic economy have followed a slow, uninterrupted path of decline since reaching their cyclical peaks one or two years earlier. The slower pace of economic growth has focused concerns on future job prospects, yet because of the expected continuation of low rates of inflation, overall evaluations have remained at relatively favorable levels.

The proportion of families that reported the national economy had improved during the past year fell to 51 percent in the April 1985 survey, down from the all-time peak of 75 percent recorded at the start of 1984. When asked about recent economic developments they had heard and could recall, fewer reports of favorable developments, and more frequent reports of unfavorable economic developments, were recorded in the April 1985 survey than during the past two years. Among all families, 30 percent mentioned favorable developments in the April 1985 survey, while 49 percent mentioned hearing news of unfavorable developments. This unfavorable mix of news is nearly the reverse of the year earlier favorable balance (49 versus 32 percent). This shift in consumers' perceptions of ongoing economic developments has been primarily due to changing employment conditions. During this past year, awareness of employment increases halfed in frequency (from 23 to 11 percent), while consumers' awareness of increases in unemployment nearly doubled in frequency (from 11 to 21 percent).

Half of all consumers expected the unemployment rate to remain at its current level during the year ahead in both the April 1985 survey (50 percent) and in the April 1984 survey (52 percent). The balance of opinion among the other half of consumers, however, has shifted toward less favorable job prospects. The proportion that expected declines in the unemployment rate fell to 20 percent in April 1985, from 28 percent one year earlier, while the proportion that expected increases in unemployment rose to 28 from 18 percent.

Prolonged Period of Slow Growth Expected

The recent slowdown in the domestic economy was expected to persist during the year ahead in the April survey, but few expected the economy to slip into recession. In both the April 1984 and 1985 surveys, the majority of families expected the performance of the economy during the year ahead to be basically similar to the past year. The proportion of families that expected an improved economy was 29 percent in April 1985, just below the 32 percent recorded one year earlier. Overall declines in the economy during the year ahead were expected by only 15 percent of all families in April 1985, just above the 14 percent recorded one year earlier.

Although only modest economic growth is expected, the majority of families continued to expect the economy as a whole to be characterized by good times financially during the year ahead. Among all families in the April 1985 survey, 58 percent expected good times financially in the economy as a whole during the year ahead, down from the cyclical peak of 73 percent at the start of 1984, but still higher that the late 1970s peak of 50 percent. Long term prospects for the economy have also weakened by a modest amount, but remain at relatively favorable levels. Among all families in the April 1984 survey, 39 percent held favorable views on economic prospects over the next five years, below the cyclical peak of 47 percent recorded in August and September of 1984.

In the April 1985 survey, consumers expected the annual rate of inflation to average 5.0% during the year ahead, up from 4.3% one month earlier, but below the 5.9% recorded in April 1984. Confidence in government economic policies to control inflation and unemployment remained at relatively high levels in the April survey. Among all families, 30 percent favorably rated economic policies, down from 32 percent one month earlier, but above the 27 percent recorded one year earlier. Just 18 percent of all families voiced unfavorable evaluations of economic policies in April 1985, below the 22 percent in March, and 20 percent one year ago.

Personal Financial Progress Slows

The personal financial situation of American families weakened by a small amount in early 1985 from the mid 1984 peaks. Among all families in the April 1985 survey, 41 percent reported that their financial situation had improved during the past year, down from the August 1984 peak of 48 percent, but still above the cyclical peak recorded in the late 1970s. When asked to explain how their financial situation had changed, 29 percent of all families in the April 1985 survey reported that their income had increased during the past year, below the 34 percent recorded one month earlier, and the 32 percent recorded one year earlier. Income declines were reported by 16 percent of all families in the April 1985 survey, between the 17 percent in March and the 15 percent in April 1984.

Consumers continued to view prospects for their own financial situation in very positive terms in the April 1985 survey. Among all families, 37 percent expected improvement in their financial situation during the year ahead, unchanged from the year earlier reading. Just 10 percent of all families in the April 1985 survey expected their financial situation to worsen during the year ahead. The near majority expected their future financial situation to remain similar to their present situation during the year ahead (49 percent). During the past year, the proportion of families that expected increases in their income fell to 55 percent in April 1985, from 61 percent one year earlier. At the same time, the proportion of families that expected their income to remain unchanged rose to 30 from 22 percent, while the proportion of families that expected income declines remained largely unchanged at 14 percent.

* * *

The April 1985 survey was conducted between April 1 and April 25, and included 675 completed interviews.

TABLE A

REFERENCES TO INTEREST RATES IN SUPPORT OF FAVORABLE BUYING CONDITIONS

	Durables		Houses		Vehicles	
Survey Date	Low Rates	BiA Rates	Low Rates	BiA Rates	Low Rates	BiA Rates
8301	7	*	33	4	27	2
8302	7	1	35	5	34	1
8303	7	1	38	6	33	1
8304	12	2	46	8	38	2
8305	12	1	49	6	38	2
8306	13	3	49	12	38	2
8307	14	2	40	9	34	3
8308	11	1	33	11	30	3
8309	9	3	35	12	25	3
8310	6	1	29	9	17	2
8311	6	2	29	11	20	2
8312	6	1	30	11	16	3
8401	8	1	33	8	20	3
8402	9	2	38	12	19	3
8403	8	2	36	13	19	3
8404	8	6	29	23	15	7
8405	7	4	24	20	14	4
8406	7	4	21	17	12	6
8407	5	5	21	16	16	8
8408	6	2	22	13	12	5
8409	6	2	22	12	11	4
8410	7	4	24	11	10	4
8411	8	3	33	11	15	3
8412	8	2	32	6	12	3
8501	10	1	42	7	21	2
8502	9	2	42	8	23	1
8503	8	2	38	10	21	2
8504	10	3	34	13	22	3

NOTE: The proportions given above provide greater detail than is reported in the monthly tables (see Tables 27, 29 and 31). The monthly tables report the total proportion of respondents that made favorable references to credit conditions. The figures above divide this total into those respondents that referred to the current availability of low interest rates, and those that referred to buying-in-advance of rising interest rates.

6/5/85

47475-2 A

SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

TABLES AND CHARTS

MAY 1985

The May 1985 survey is the 200th in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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30	BUYING CONDITIONS FOR CARS
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32	PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS
33	CURRENT VEHICLE PURCHASE INTENTIONS
34	FUTURE VEHICLE PURCHASE INTENTIONS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

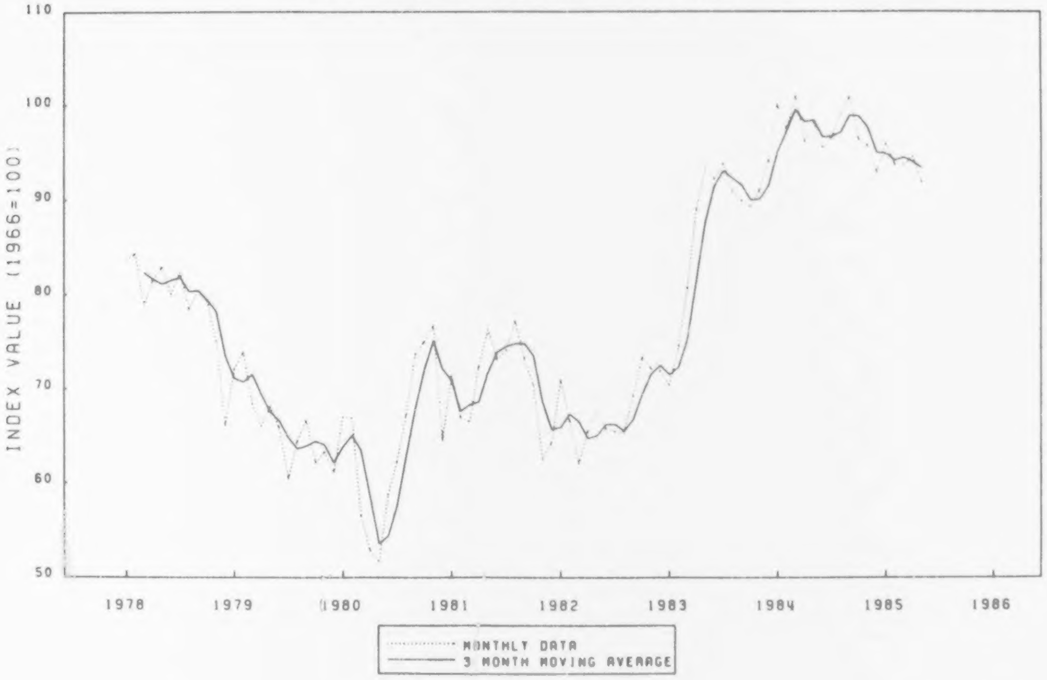


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

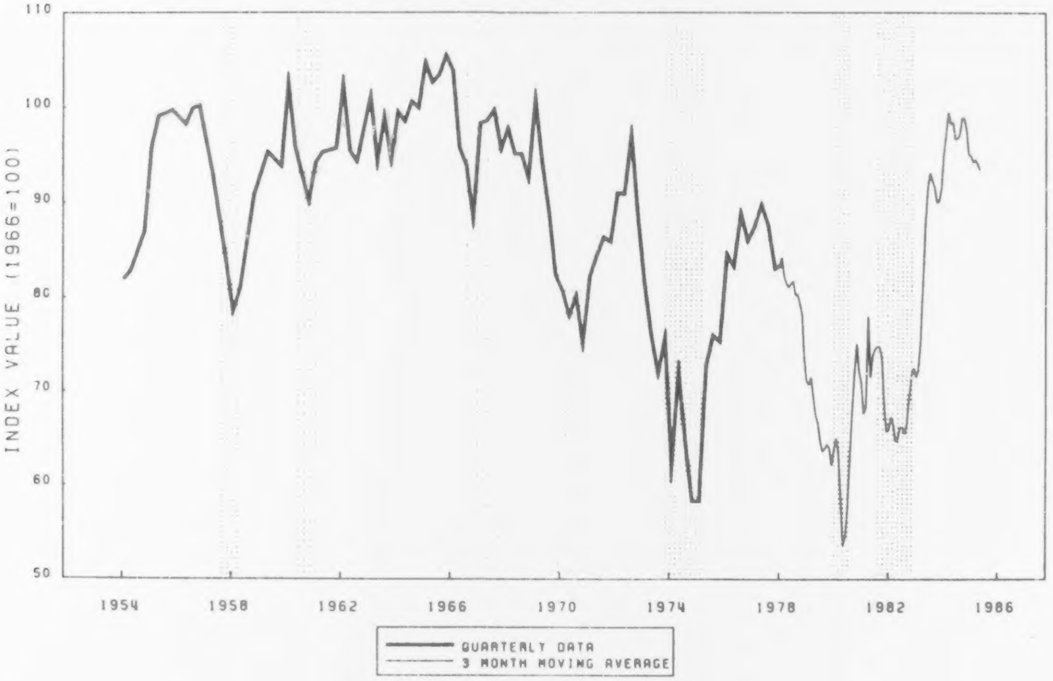


TABLE 1

THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY		All families	Families with incomes over $20,000	Families with incomes over $25,000
May	1982	67.5	72.7	74.8
June	1982	65.7	71.4	72.9
July	1982	65.4	68.9	69.2
August	1982	65.4	71.0	73.6
September	1982	69.3	78.4	81.1
October	1982	73.4	77.5	80.9
November	1982	72.1	79.3	81.1
December	1982	71.9	78.0	80.5
January	1983	70.4	78.2	78.8
February	1983	74.6	79.9	81.3
March	1983	80.8	88.4	88.9
April	1983	89.1	97.1	99.0
May	1983	93.3	99.6	101.0
June	1983	92.2	101.2	102.5
July	1983	93.9	104.4	106.5
August	1983	90.9	101.2	103.5
September	1983	89.9	99.0	102.3
October	1983	89.3	99.5	101.9
November	1983	91.1	97.2	98.8
December	1983	94.2	101.7	104.5
January	1984	100.1	112.0	114.2
February	1984	97.4	109.6	111.2
March	1984	101.0	110.9	114.2
April	1984	96.1	103.9	105.5
May	1984	98.1	105.6	107.1
June	1984	95.5	104.4	104.5
July	1984	96.6	103.2	102.8
August	1984	99.1	106.7	109.2
September	1984	100.9	109.7	111.7
October	1984	96.3	106.2	107.7
November	1984	95.7	108.6	111.0
December	1984	92.9	99.2	100.1
January	1985	96.0	104.1	106.7
February	1985	93.7	105.4	107.4
March	1985	93.7	106.5	108.8
April	1985	94.6	102.8	107.9
May	1985	91.8	99.5	100.3

CHART 2A - HISTORICAL SERIES

INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

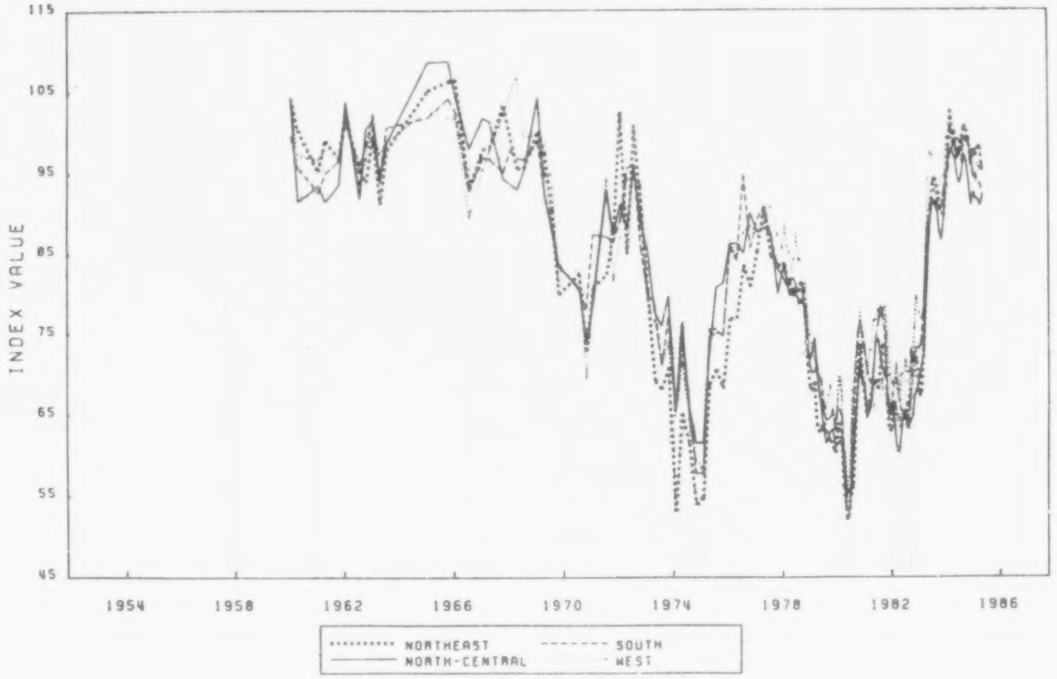


CHART 2B - HISTORICAL SERIES

INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

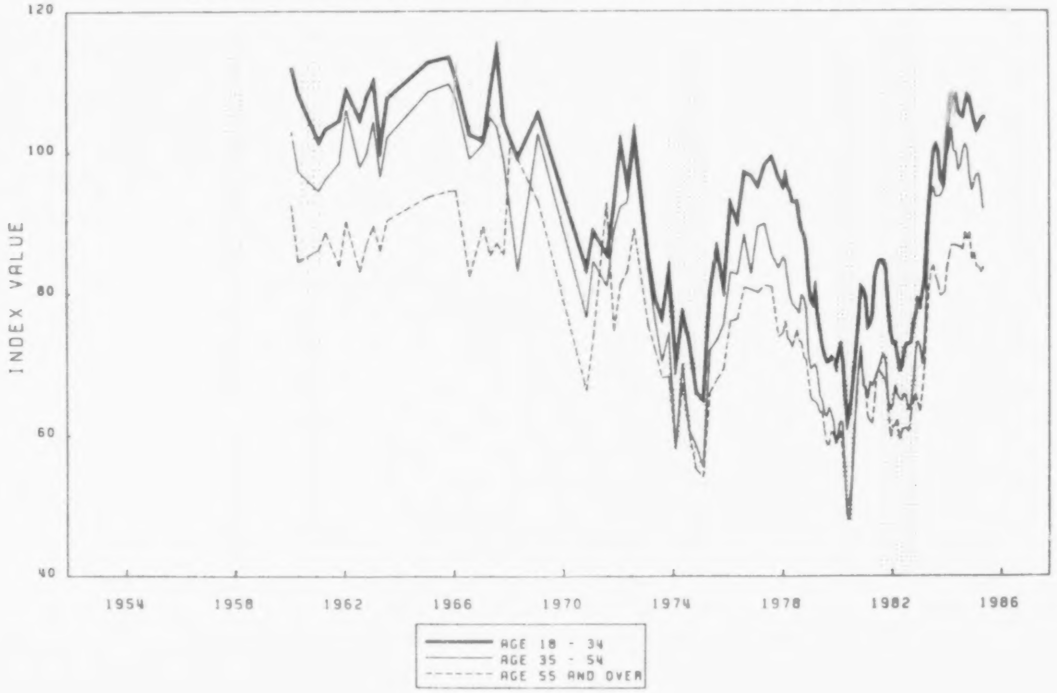


TABLE 2

INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

		CENSUS REGION				AGE OF RESPONDENT		
DATE OF SURVEY		North East	North Central	South	West	18-34	35-54	55+
May	1982	62.4	66.5	66.6	75.7	72.7	67.6	62.0
June	1982	65.4	65.0	64.9	68.6	72.4	64.4	60.3
July	1982	65.1	64.0	63.5	71.1	73.4	63.3	60.6
August	1982	68.1	60.6	64.0	70.6	72.6	62.9	60.2
September	1982	70.3	67.2	71.1	68.8	73.0	66.7	68.0
October	1982	77.8	66.2	74.1	79.3	81.2	72.1	65.5
November	1982	70.6	67.9	73.2	79.3	76.6	75.7	63.8
December	1982	66.1	70.0	72.5	80.4	78.9	71.7	64.2
January	1983	64.9	70.5	73.6	72.8	78.8	70.0	62.0
February	1983	72.1	72.3	75.8	77.2	82.1	68.3	72.4
March	1983	82.9	73.7	82.7	84.4	84.9	81.5	75.5
April	1983	89.1	88.0	87.2	95.6	95.8	90.5	80.5
May	1983	88.3	90.7	93.3	102.7	97.2	97.1	84.9
June	1983	95.1	88.7	92.5	94.1	97.8	94.4	83.9
July	1983	98.3	93.8	89.9	94.3	106.0	93.6	83.0
August	1983	89.6	92.0	91.3	89.6	99.2	92.9	80.0
September	1983	92.6	87.8	89.3	90.8	94.8	94.5	80.9
October	1983	89.9	83.7	91.5	93.5	94.2	93.8	77.8
November	1983	87.7	88.3	91.5	98.5	97.2	94.6	80.7
December	1983	91.4	96.2	95.2	92.2	102.3	97.5	81.8
January	1984	100.7	96.8	97.5	107.5	107.9	106.0	87.4
February	1984	102.3	98.4	93.5	97.1	106.2	98.9	86.5
March	1984	104.8	98.5	102.1	97.5	109.9	105.2	86.6
April	1984	92.5	95.3	98.2	99.3	106.5	95.9	87.0
May	1984	98.8	96.3	96.5	103.9	107.5	98.8	86.6
June	1984	100.1	92.1	95.0	93.7	103.0	97.1	85.9
July	1984	94.3	92.5	100.5	99.3	104.9	98.2	87.1
August	1984	103.1	100.2	97.5	95.4	106.8	105.3	85.2
September	1984	105.0	99.3	99.7	99.9	108.5	99.9	93.3
October	1984	92.5	89.4	100.9	101.7	108.9	95.5	84.2
November	1984	100.3	93.3	95.6	94.1	105.5	94.0	88.1
December	1984	94.8	90.3	93.4	94.0	102.9	94.1	82.2
January	1985	98.2	94.5	94.6	97.8	104.2	99.0	86.6
February	1985	97.9	90.4	96.6	89.7	102.0	97.0	82.3
March	1985	98.3	90.6	89.8	101.1	104.7	94.7	82.0
April	1985	98.1	91.7	94.8	95.3	106.9	92.9	84.3
May	1985	88.7	94.0	91.9	91.3	103.2	87.9	84.6

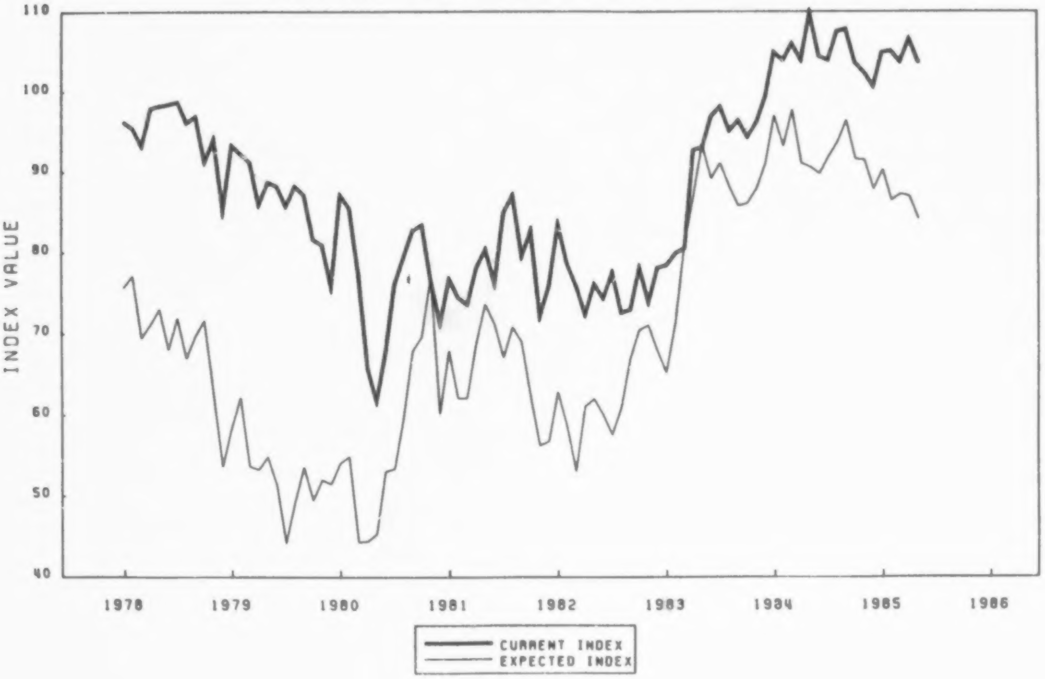


CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

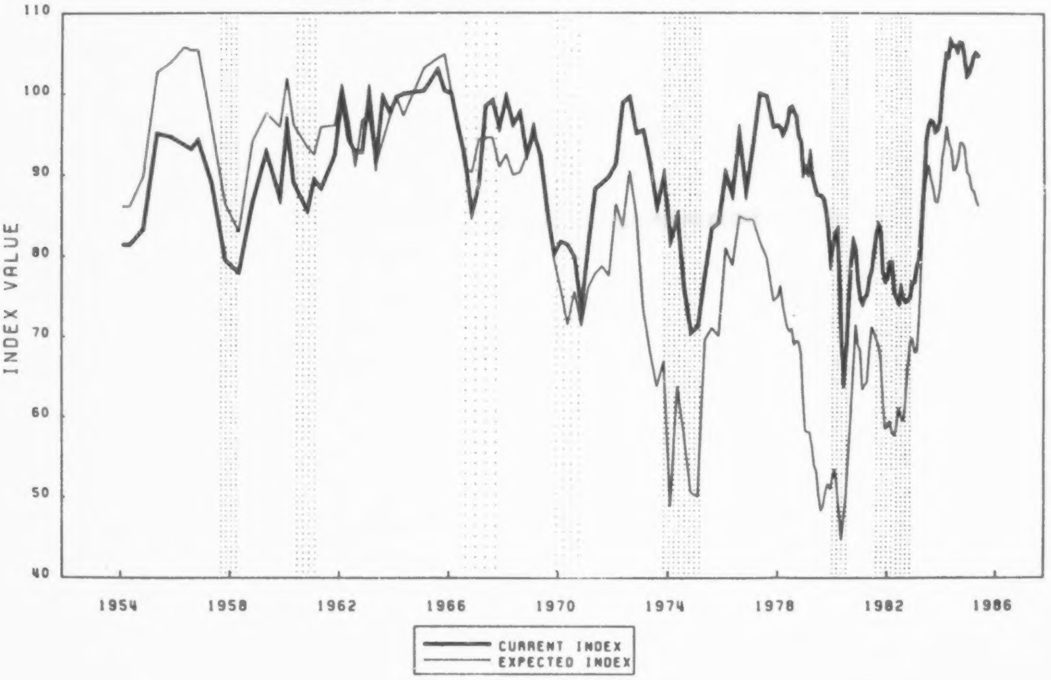


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS

TABLE 3

COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

	INDEX COMPONENTS +						
	Personal finances		Business conditions		Buying conds.	Current Index	Expected Index
	Current	Expected	12 months	5 years			
DATE OF SURVEY	(1)	(2)	(3)	(4)	(5)	(1,5)	(2,3,4)
May 1982	94	113	62	72	102	76.1	62.0
June 1982	92	116	58	65	99	74.3	60.1
July 1982	90	113	53	63	110	77.5	57.6
August 1982	89	110	64	69	97	72.5	60.9
September 1982	89	116	76	74	98	72.9	66.9
October 1982	95	119	79	83	106	78.1	70.4
November 1982	85	121	77	86	105	73.8	71.0
December 1982	90	117	74	80	111	78.1	67.9
January 1983	91	115	76	69	111	78.4	65.2
February 1983	89	117	87	81	117	79.9	71.2
March 1983	92	126	113	85	115	80.5	80.9
April 1983	108	131	120	99	131	92.7	86.9
May 1983	101	137	139	100	139	93.1	93.4
June 1983	110	128	134	97	141	96.9	89.2
July 1983	111	126	136	104	143	98.1	91.1
August 1983	106	124	130	100	140	95.1	88.2
September 1983	109	125	125	95	140	96.4	85.8
October 1983	104	124	124	98	140	94.3	86.1
November 1983	111	127	129	98	138	96.1	87.9
December 1983	123	125	140	102	134	99.3	91.0
January 1984	117	129	154	108	155	104.9	97.0
February 1984	119	130	139	106	151	103.9	93.2
March 1984	122	135	146	113	153	106.0	97.7
April 1984	117	124	136	106	153	103.9	91.1
May 1984	121	129	131	105	164	109.8	90.6
June 1984	126	124	131	106	145	104.4	89.8
July 1984	117	124	133	113	152	103.9	91.9
August 1984	125	129	137	111	153	107.5	93.7
September 1984	125	131	142	116	154	107.8	96.4
October 1984	118	127	134	107	150	103.6	91.6
November 1984	121	129	132	107	144	102.4	91.5
December 1984	118	125	131	98	143	100.6	87.9
January 1985	119	124	135	104	153	104.9	90.3
February 1985	115	120	131	96	158	105.1	86.5
March 1985	112	123	133	96	156	103.7	87.3
April 1985	116	127	128	95	161	106.6	87.0
May 1985	116	120	121	97	152	103.7	84.2

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.

CHART 4 - RECENT CHANGES

CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

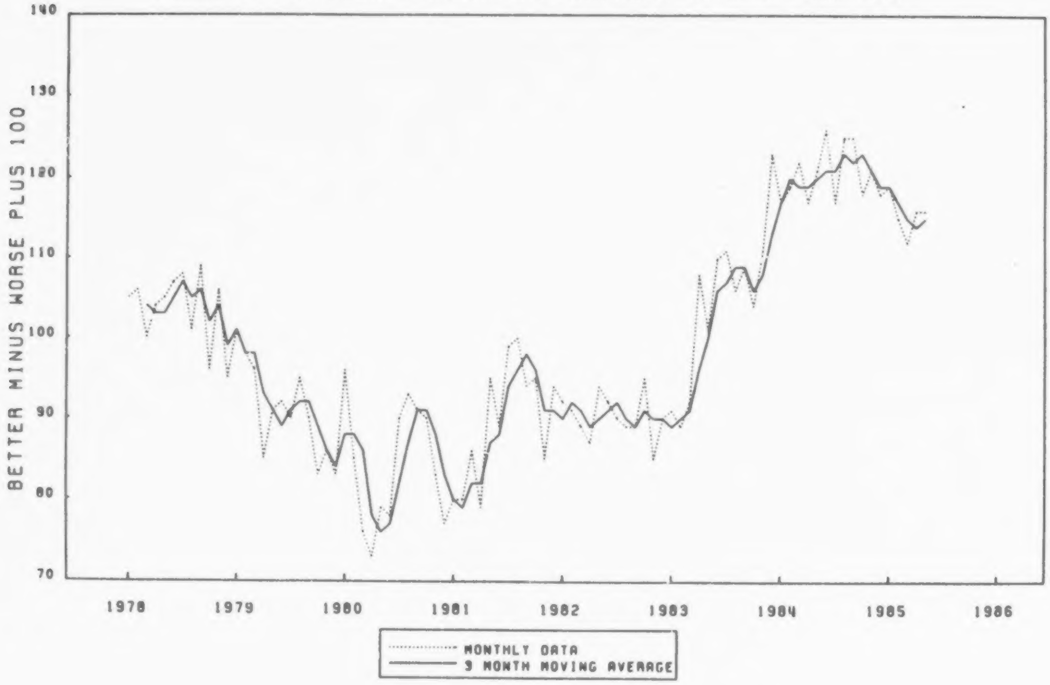


CHART 4 - HISTORICAL SERIES

CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

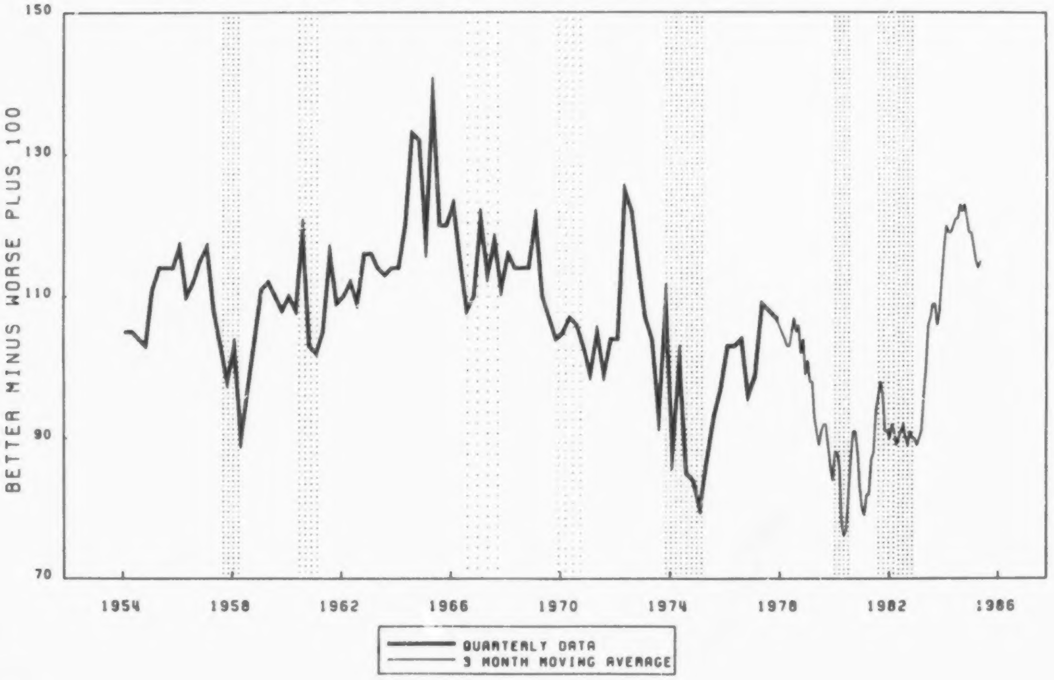


TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
BETTER OFF	44%	47%	42%	48%	45%	44%	46%	44%	42%	42%	40%	41%	40%
SAME	33	31	33	29	35	30	29	30	35	31	32	34	36
WORSE OFF	23	21	25	23	20	26	25	26	23	27	28	25	24
DK,NA	*	1	*	*	*	*	*	*	*	*	*	*	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

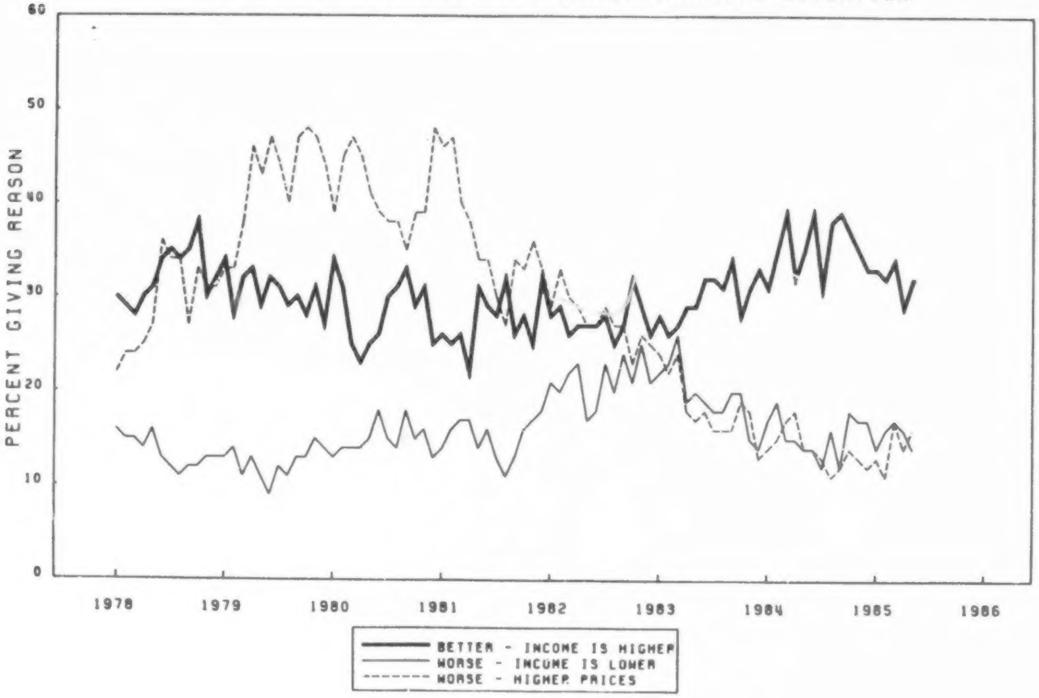


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

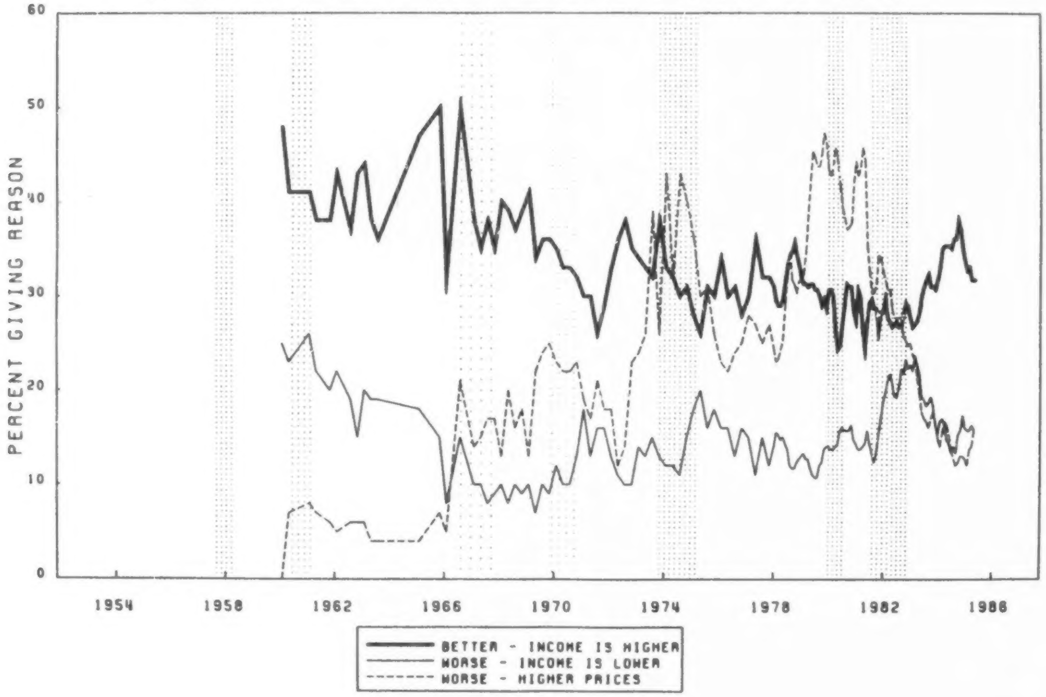


TABLE 5

SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
BETTER OFF THAN YEAR AGO:													
Income is higher	35%	39%	31%	38%	39%	37%	35%	33%	33%	32%	34%	29%	32%
WORSE OFF THAN YEAR AGO:													
Income is lower	14	14	12	16	12	18	17	17	14	16	17	16	14
Higher prices	14	14	13	11	12	14	13	12	13	11	17	14	16

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

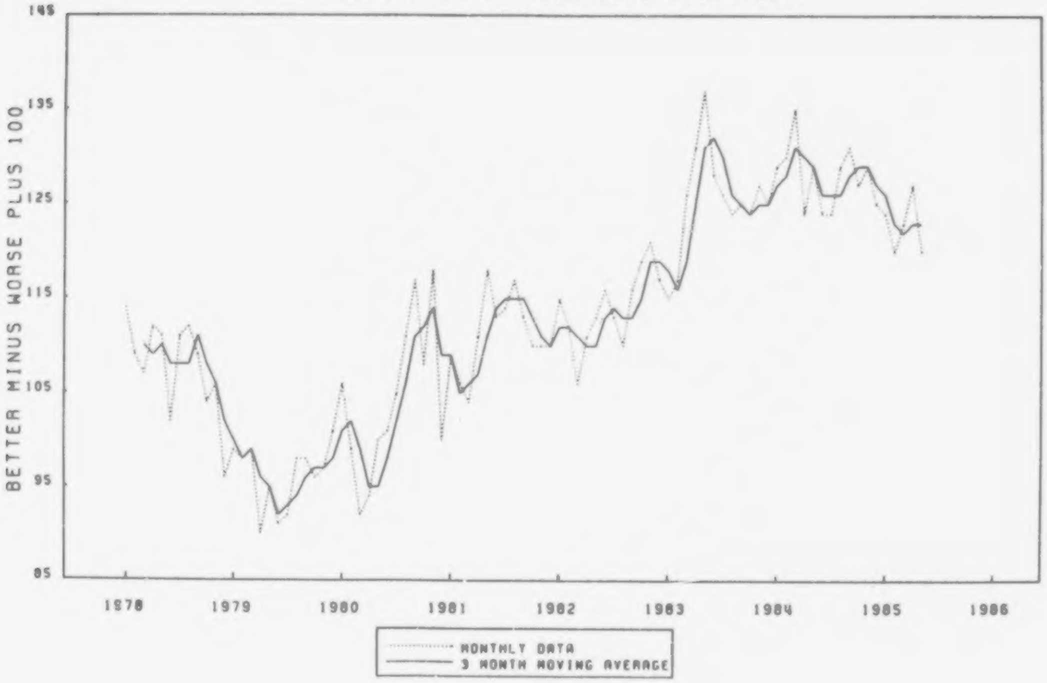


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION

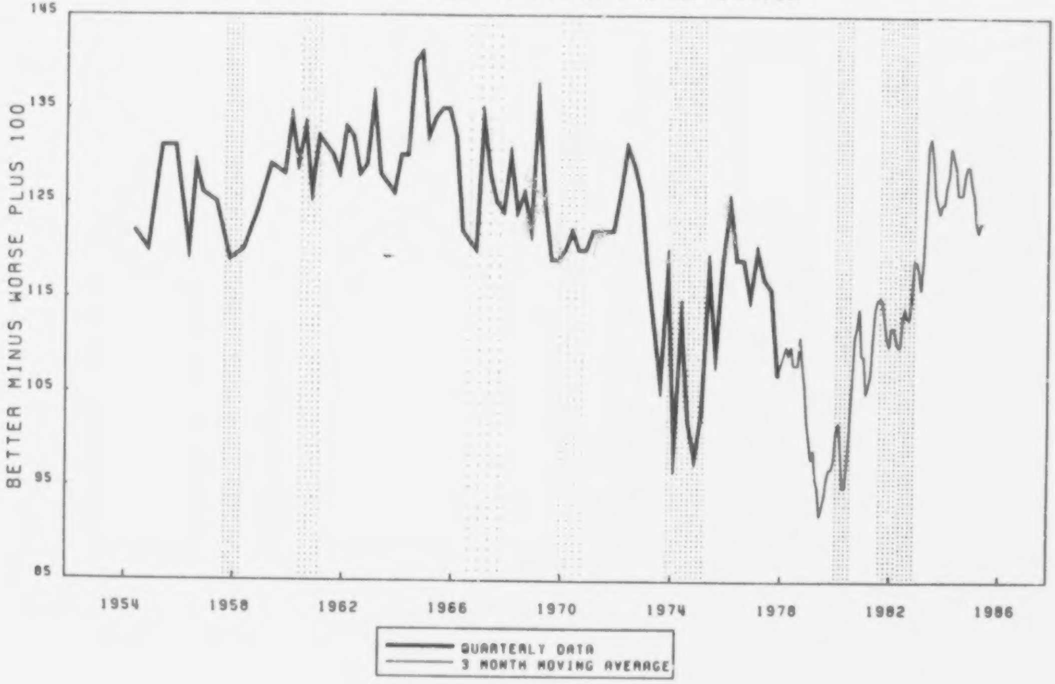


TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
BETTER OFF	40%	35%	34%	38%	39%	38%	39%	36%	35%	33%	36%	37%	34%
SAME	47	52	51	49	49	47	48	50	52	50	49	49	49
WORSE OFF	11	11	10	9	8	11	10	11	11	13	13	10	14
DK,NA	2	2	5	4	4	4	3	3	2	4	2	4	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

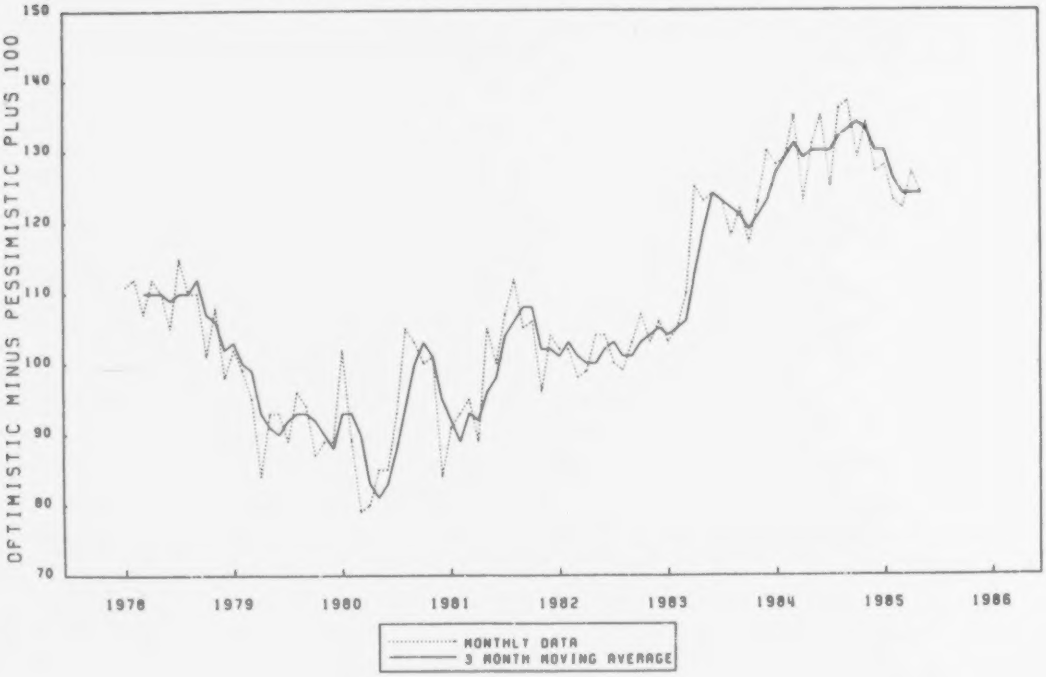


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION

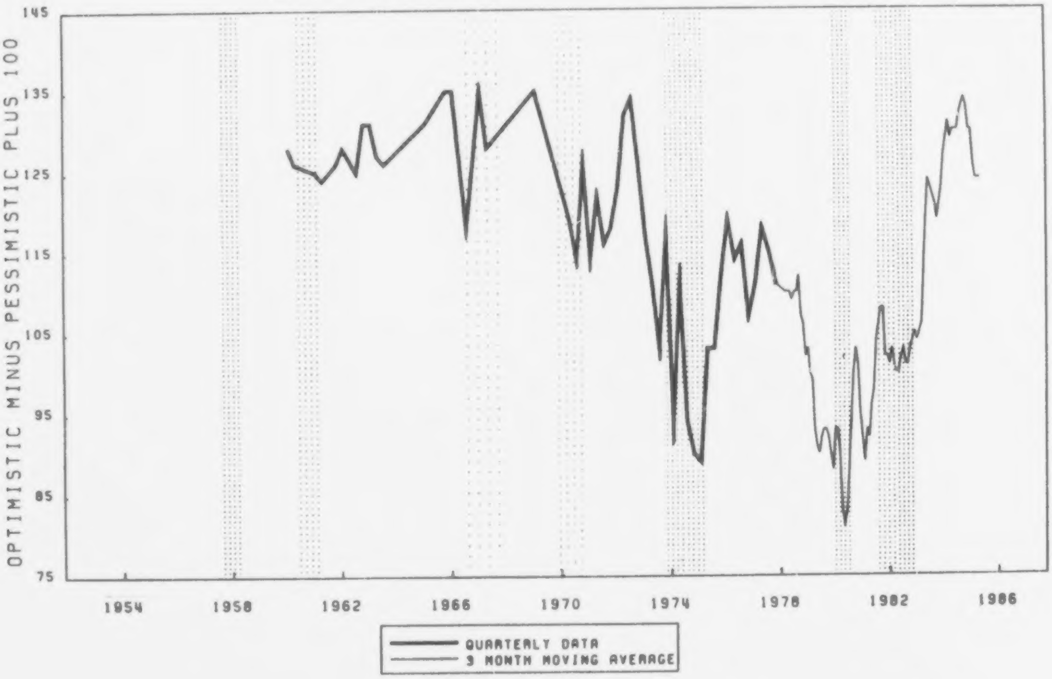


TABLE 7

TREND IN PERSONAL FINANCIAL SITUATION

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
PERSONAL FINANCIAL PROGRESS:													
Continuous increase (a)	23%	20%	22%	24%	25%	21%	21%	23%	19%	20%	20%	22%	20%
Intermittent increase (b)	24	32	24	30	28	28	32	25	28	24	26	26	26
Remain unchanged (c)	21	19	21	17	20	17	15	19	22	20	18	20	21
Intermittent decline (d)	12	12	16	13	12	15	14	15	15	15	18	16	16
Continuous decline (e)	4	5	5	5	4	5	5	6	4	6	6	5	6
Mixed change (f)	14	10	7	8	7	10	10	9	9	12	10	8	8
DK,NA	2	2	5	3	4	4	3	3	3	3	2	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME

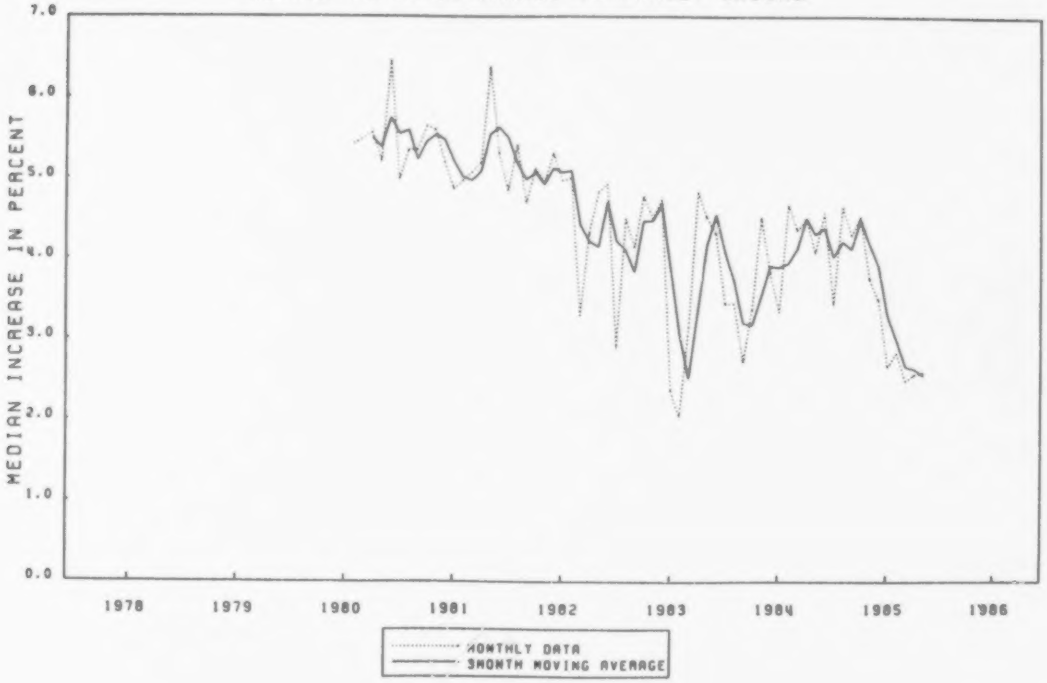


CHART 8 - HISTORICAL SERIES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME

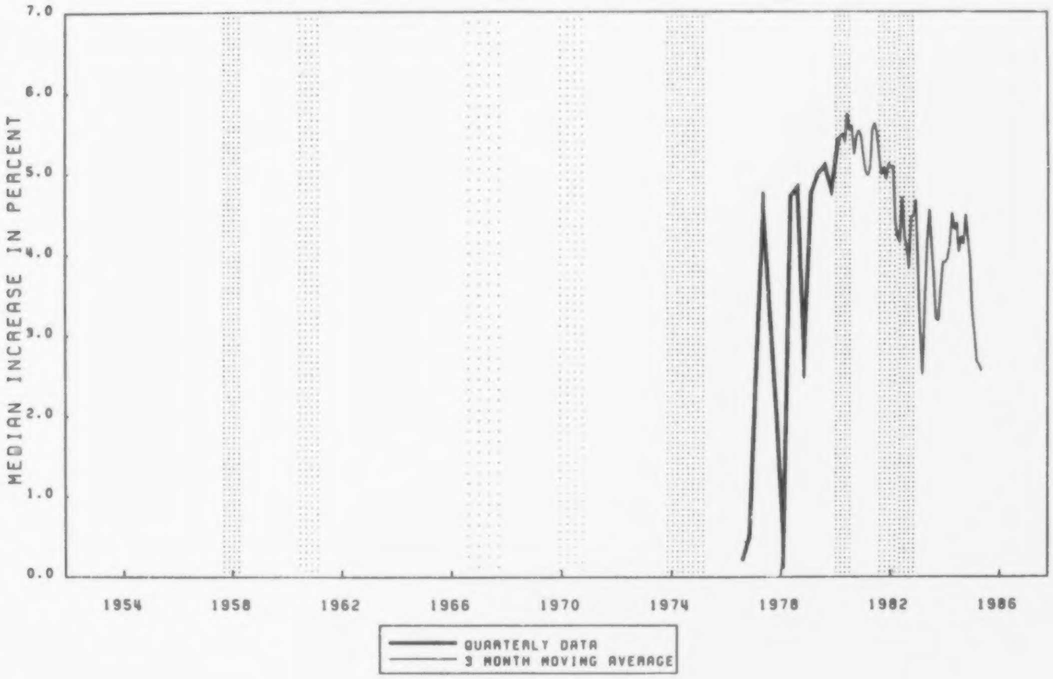


TABLE 8

EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
EXPECT INCREASE:													
1-4%	11%	12%	17%	13%	15%	10%	13%	12%	12%	14%	12%	11%	16%
5%	9	11	12	11	10	10	9	10	9	11	11	9	9
6-9%	7	12	8	11	10	8	7	8	9	6	7	7	5
10-24%	21	17	17	18	18	20	19	17	17	16	13	17	16
25% or more	8	7	6	7	7	8	8	7	6	7	8	8	7
DK how much up	6	3	4	3	4	5	6	7	3	3	4	3	4
EXPECT SAME	26	24	23	24	23	25	23	23	27	26	29	30	28
EXPECT DOWN	11	11	11	11	11	12	13	15	16	16	15	14	13
DK,NA	1	3	2	2	2	2	2	1	1	1	1	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES
INCOME OR PRICES UP MORE DURING THE LAST YEAR

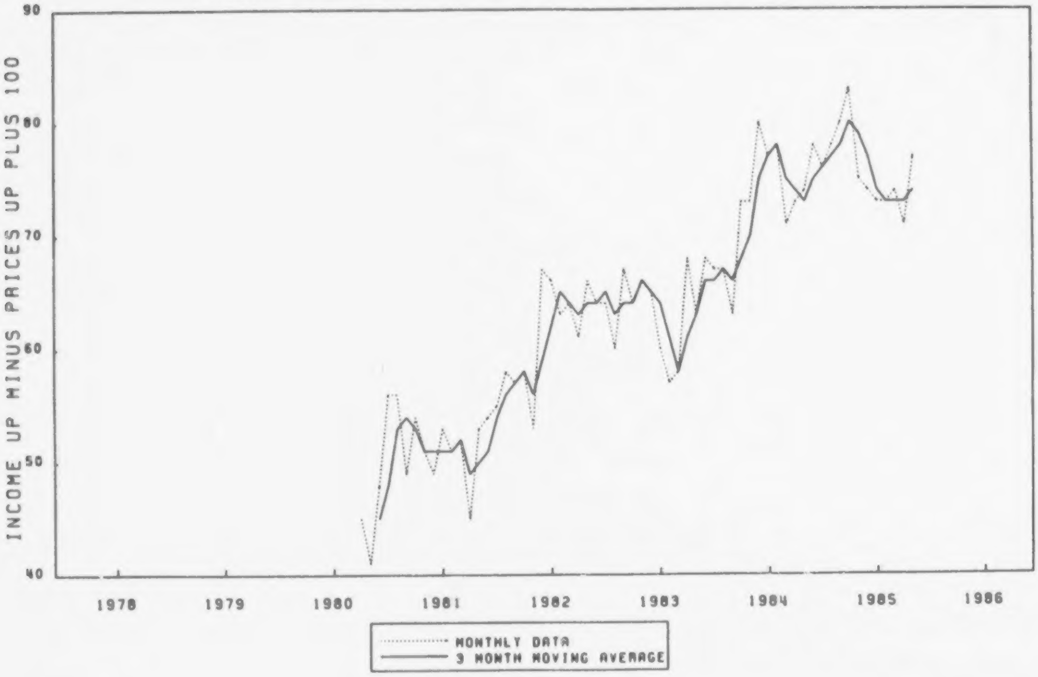


CHART 9 - HISTORICAL SERIES
INCOME OR PRICES UP MORE DURING THE LAST YEAR

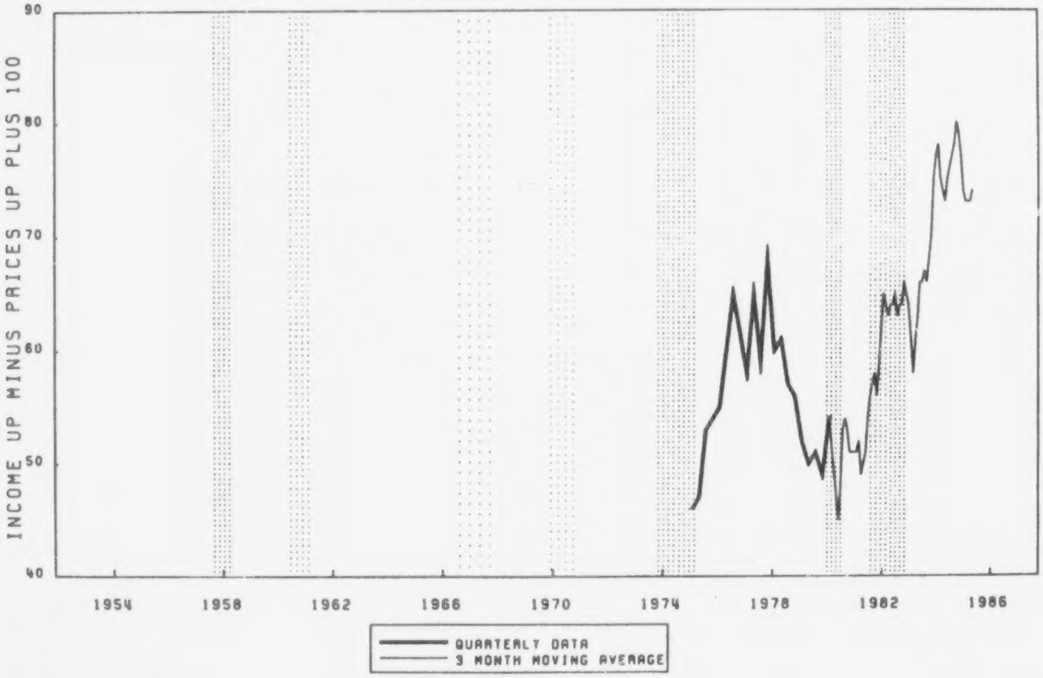


TABLE 9

PAST CHANGE IN REAL FAMILY INCOME

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
INCOME UP MORE	20%	21%	21%	21%	22%	25%	21%	19%	16%	19%	19%	18%	22%
INCOME UP SAME	33	34	33	34	36	31	31	35	40	34	35	34	32
PRICES UP MORE	46	43	45	43	42	42	46	45	43	46	45	47	45
DK,NA	1	2	1	2	*	2	2	1	1	1	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

* : Less than half of one percent.

CHART 10 - RECENT CHANGES
INCOME OR PRICES UP MORE NEXT YEAR

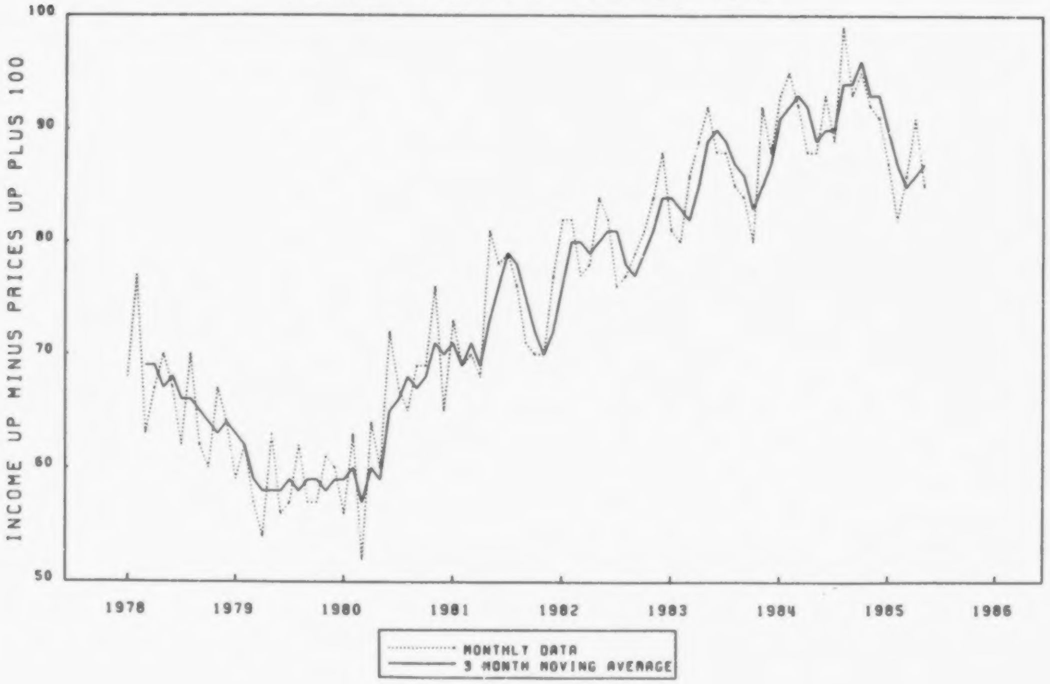


CHART 10 - HISTORICAL SERIES
INCOME OR PRICES UP MORE NEXT YEAR

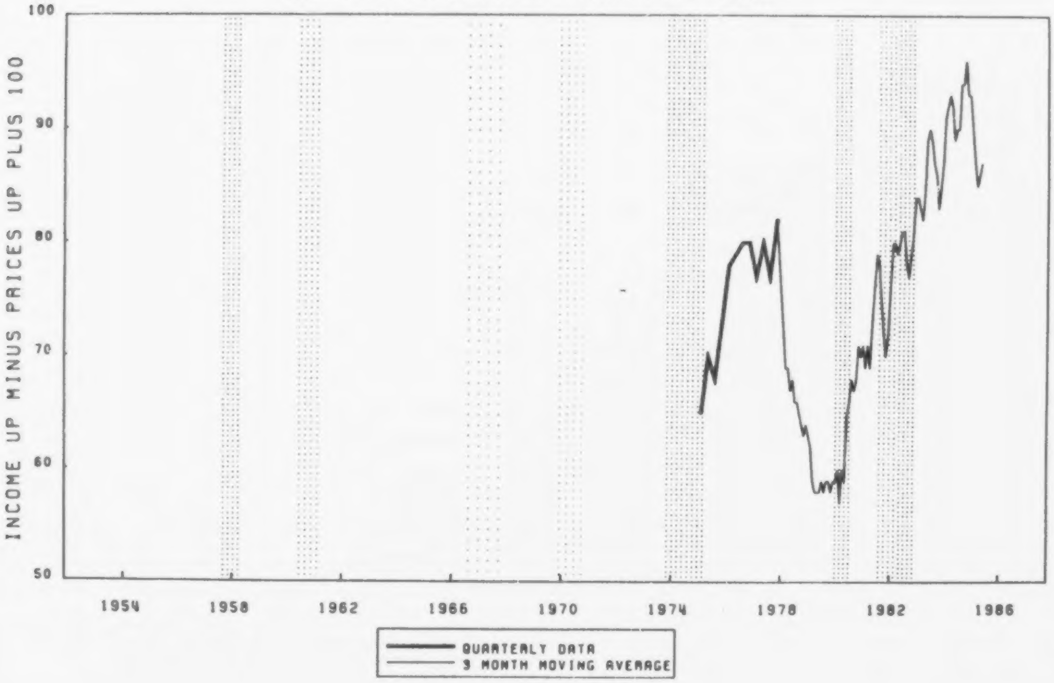


TABLE 10

EXPECTED CHANGE IN REAL FAMILY INCOME

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
INCOME UP MORE	22%	22%	22%	25%	23%	25%	23%	21%	20%	20%	18%	23%	22%
INCOME UP SAME	42	47	41	45	44	43	44	46	45	40	49	42	39
PRICES UP MORE	34	29	33	26	30	30	31	30	33	38	32	32	37
DK,NA	2	2	4	4	3	2	2	3	2	2	1	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON

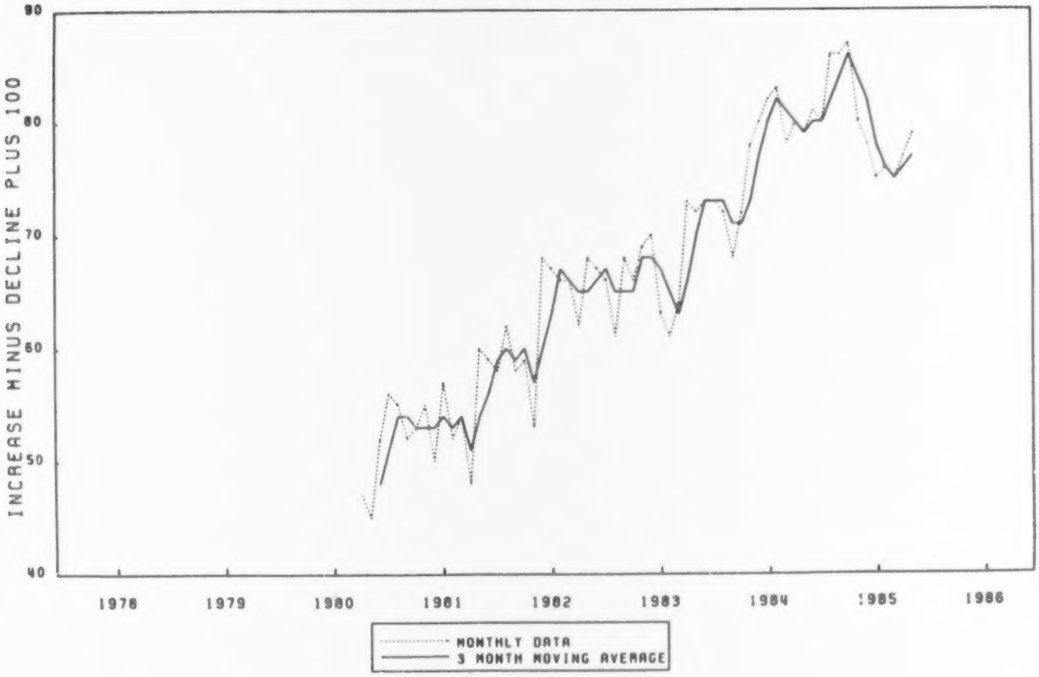


CHART 11 - HISTORICAL SERIES
TREND IN INCOME AND PRICE COMPARISON

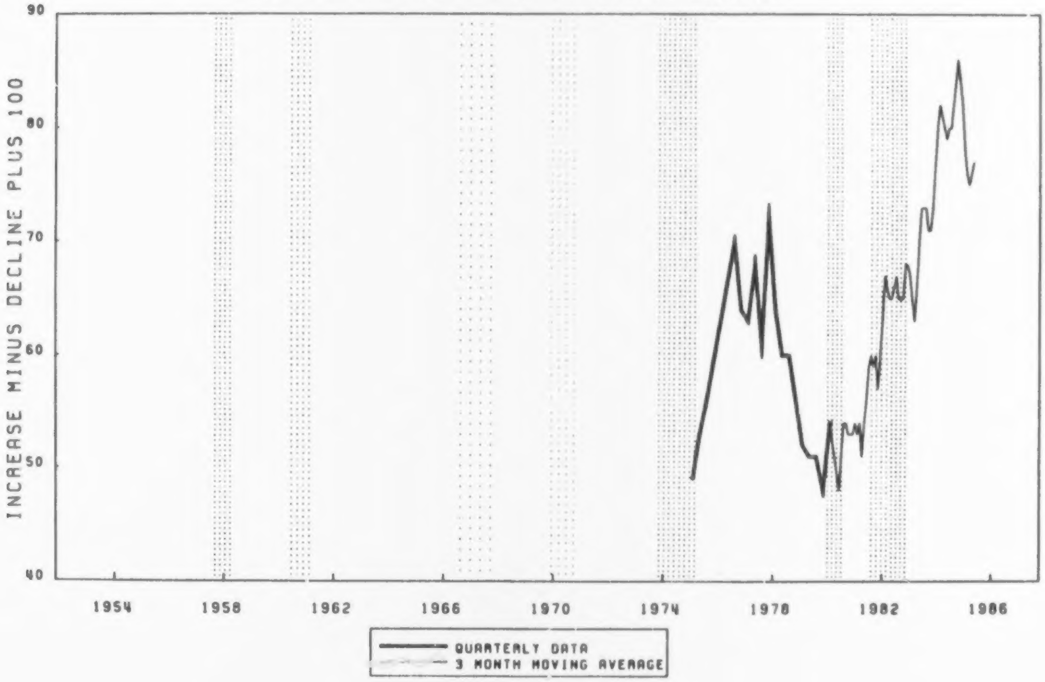


TABLE 11

TREND IN FAMILY INCOME AND PRICES COMPARISONS

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
REAL INCOME PROGRESS:													
Continuous increase (a)	9%	11%	10%	12%	12%	14%	12%	10%	8%	10%	9%	11%	12%
Intermittent increase (b)	17	13	14	15	16	14	14	12	13	14	14	11	13
Remain unchanged (c)	17	22	20	21	22	20	19	23	24	20	23	22	20
Intermittent decline (d)	22	23	20	22	20	18	22	22	23	19	24	20	18
Continuous decline (e)	25	20	24	19	22	23	24	22	23	29	24	25	28
Mixed change (f)	7	8	8	6	5	7	6	8	6	6	4	7	7
DK,NA	3	3	4	5	3	4	3	3	3	2	2	4	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART12 - RECENT CHANGES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

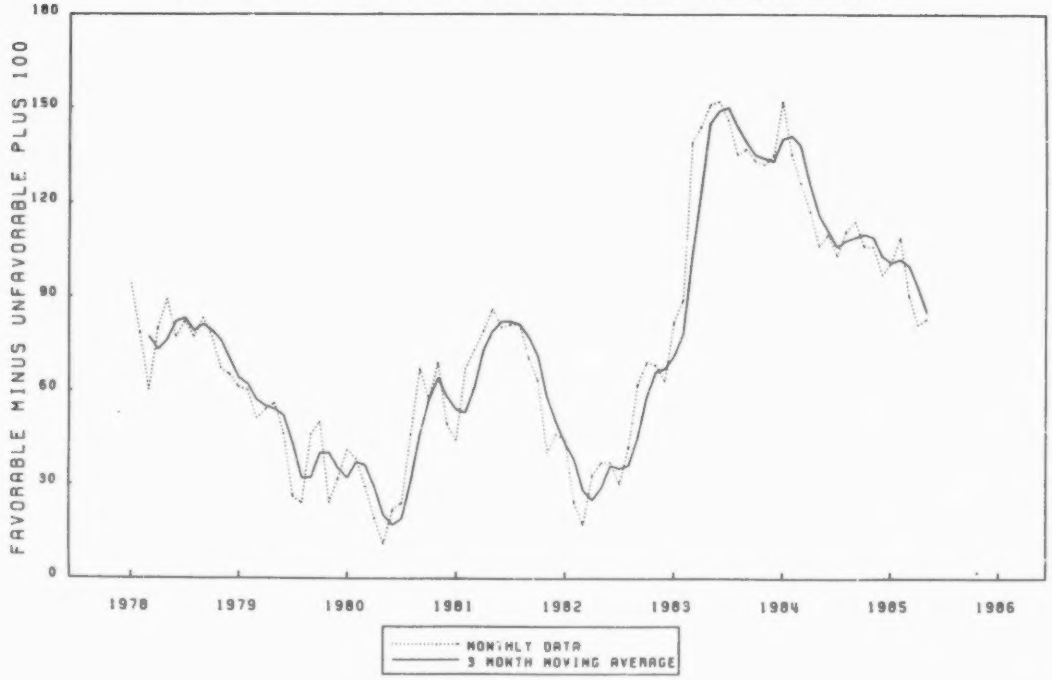


CHART12 - HISTORICAL SERIES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

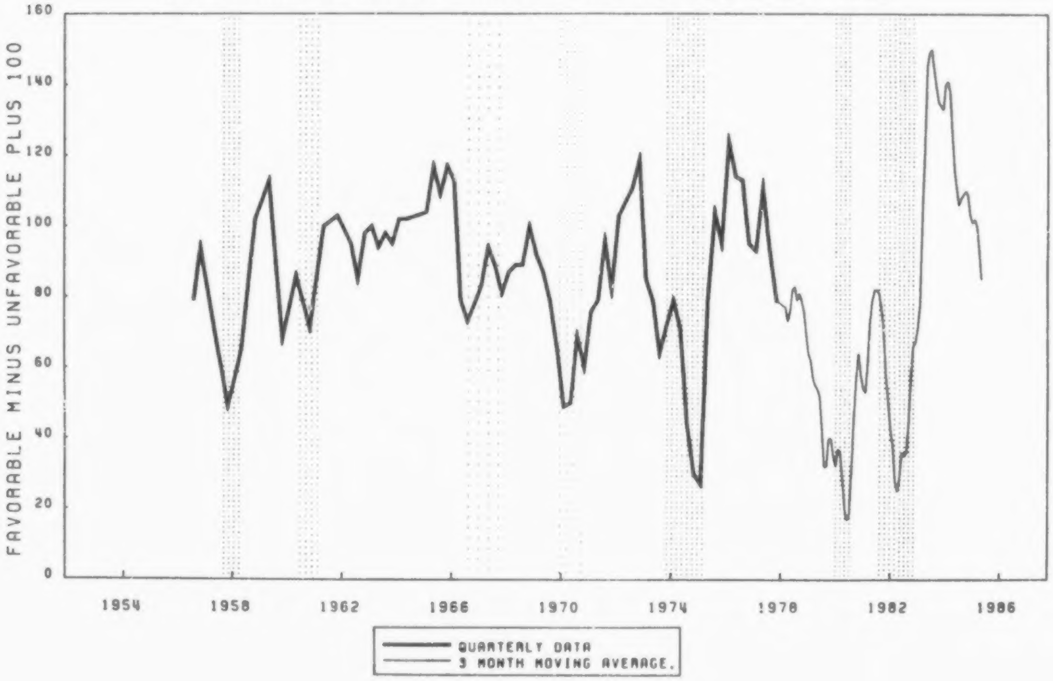


TABLE 12

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
FAVORABLE NEWS	47%	50%	42%	51%	52%	44%	41%	39%	43%	50%	35%	30%	30%
UNFAVORABLE NEWS	41	40	39	40	38	38	35	42	42	41	45	49	47
NO MENTIONS	41	41	46	39	41	44	49	46	44	41	48	49	48

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

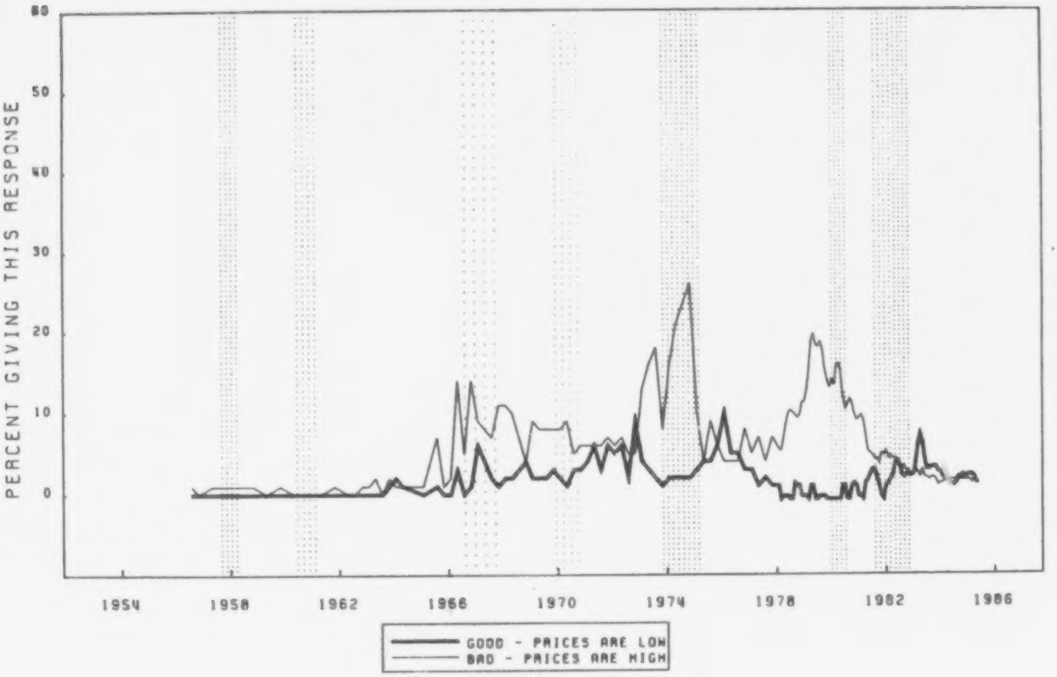


CHART 13B - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

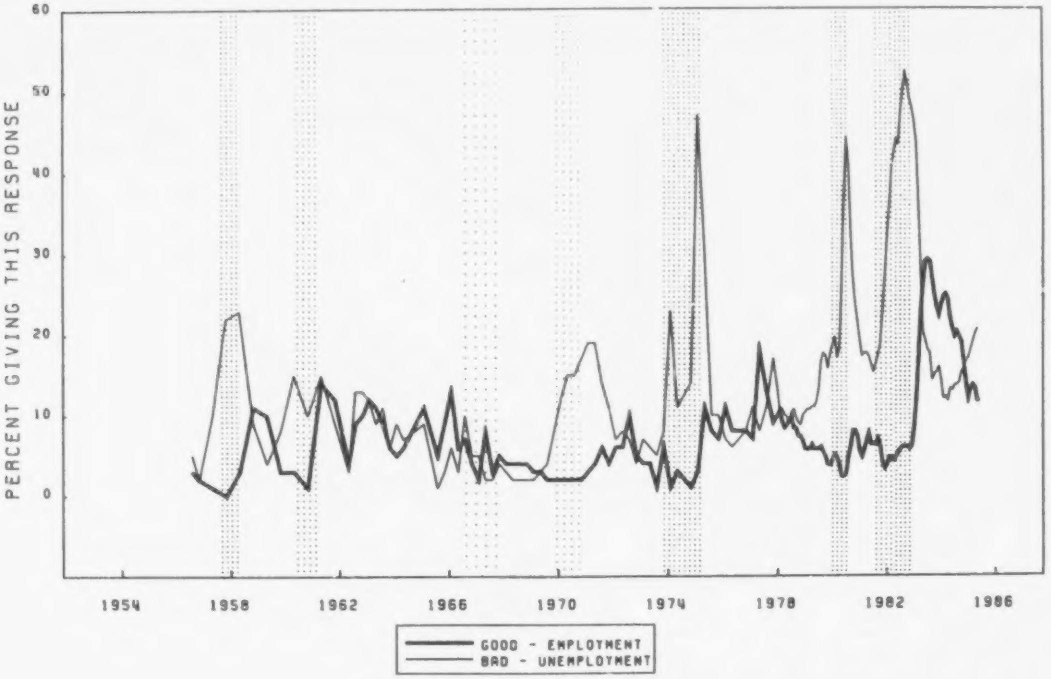


TABLE 13

SELECTED ITEMS OF
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
FAVORABLE NEWS:													
Government; elections	1%	2%	2%	2%	3%	1%	2%	3%	4%	3%	2%	1%	2%
Employment	18	21	20	20	19	18	13	11	12	17	12	11	12
Consumer demand high	10	8	4	7	7	5	4	5	5	5	5	3	3
Prices are low	1	1	1	2	3	1	3	2	2	3	2	1	1
Credit is easy	2	3	2	4	3	4	8	9	10	9	5	4	3
UNFAVORABLE NEWS:													
Government; elections	3	2	4	4	4	3	3	6	5	6	5	5	4
Unemployment	15	13	13	15	14	17	16	17	18	19	20	21	21
Consumer demand low	2	1	2	2	2	1	2	3	3	3	2	3	3
Prices are high	2	2	1	2	2	1	2	2	1	2	1	2	2
Credit is tight	10	12	13	9	6	5	3	2	2	1	2	2	2
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

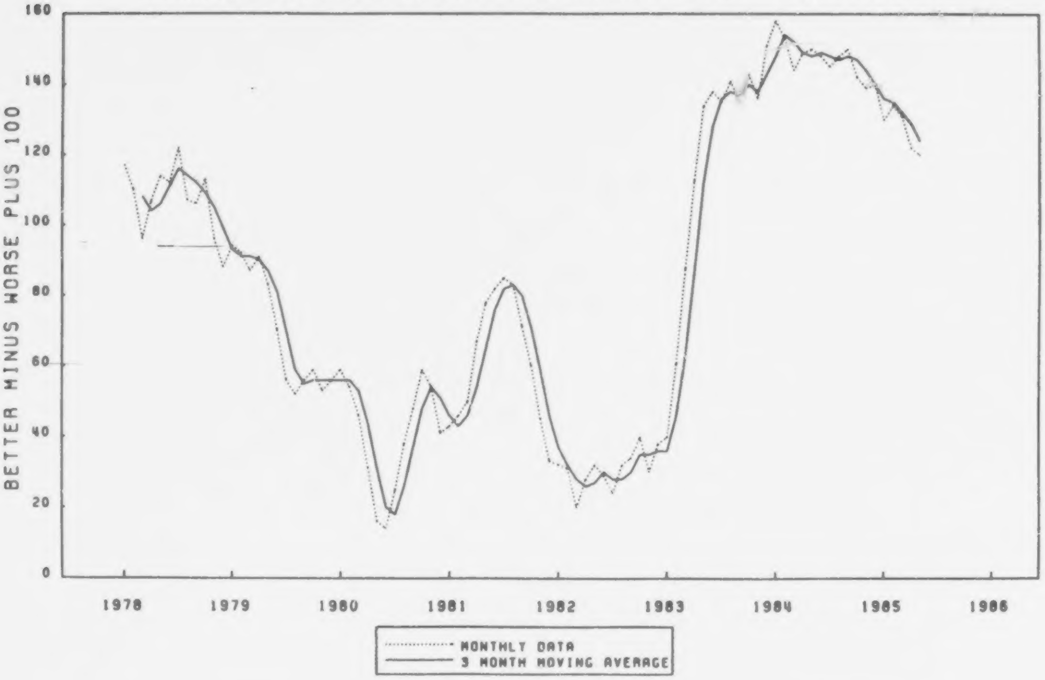


CHART 14 - HISTORICAL SERIES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

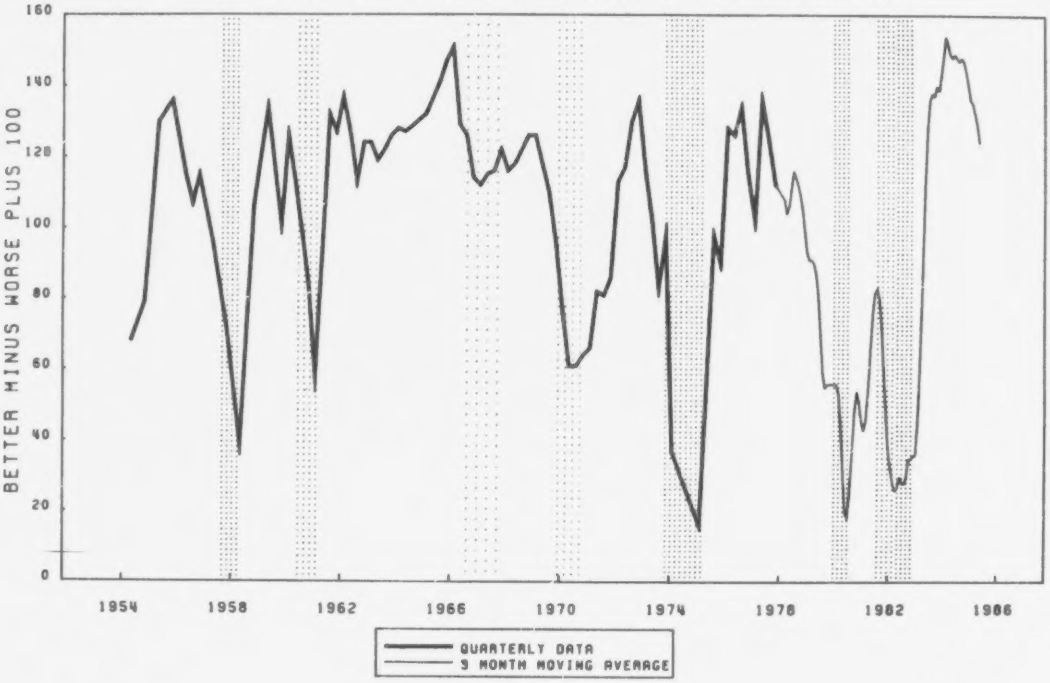


TABLE 14

CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
BETTER NOW	70%	67%	67%	68%	68%	65%	63%	63%	57%	60%	57%	51%	53%
SAME	9	12	9	11	12	10	12	13	14	12	15	17	13
WORSE NOW	20	19	22	20	18	23	24	23	27	26	26	29	33
DK,NA	1	2	2	1	2	2	1	1	2	2	2	3	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

CHART 15 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

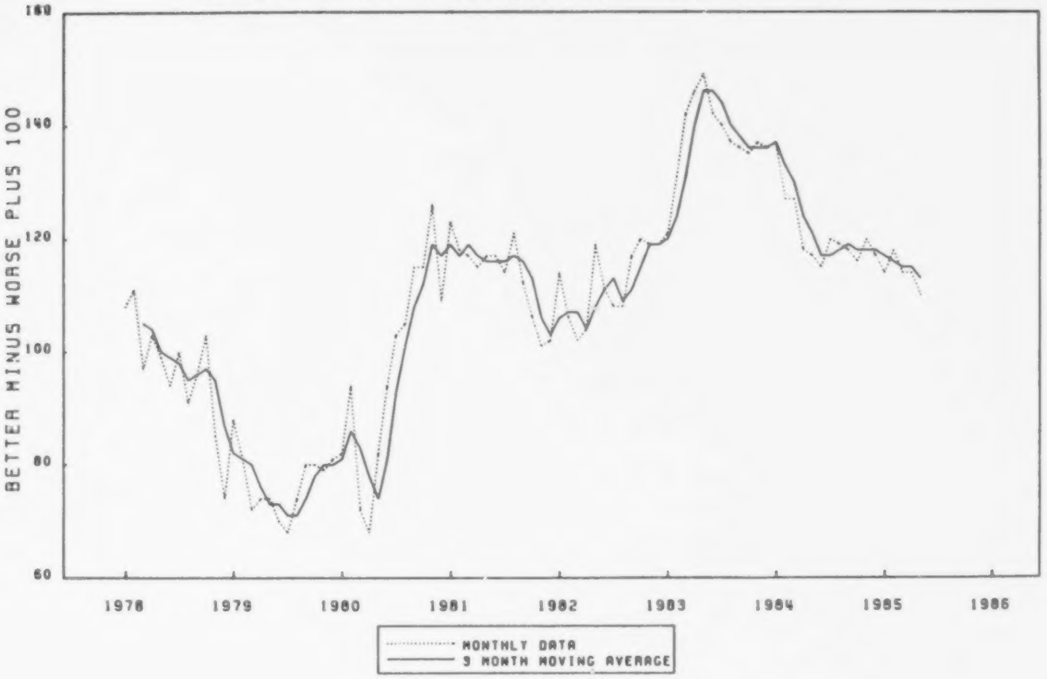


CHART 15 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

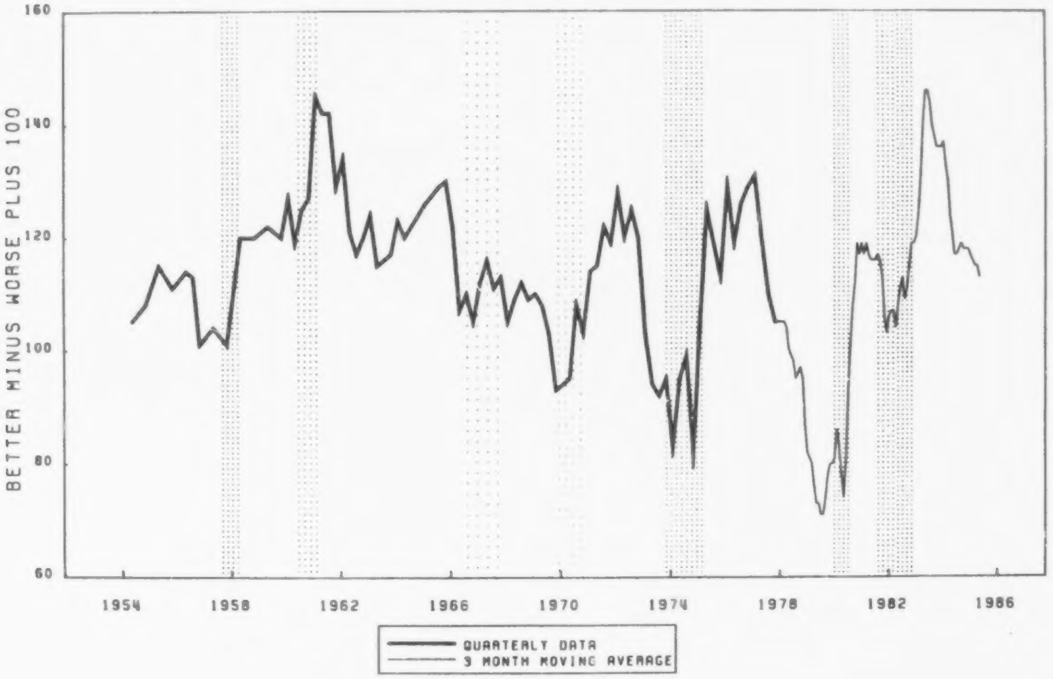


TABLE 15

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
BETTER	31%	30%	32%	33%	33%	32%	35%	33%	29%	33%	29%	29%	27%
SAME	53	53	51	49	48	49	48	47	55	50	53	53	54
WORSE	14	15	12	14	15	16	15	16	15	15	15	15	17
DK,NA	2	2	5	4	4	3	2	4	1	2	3	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

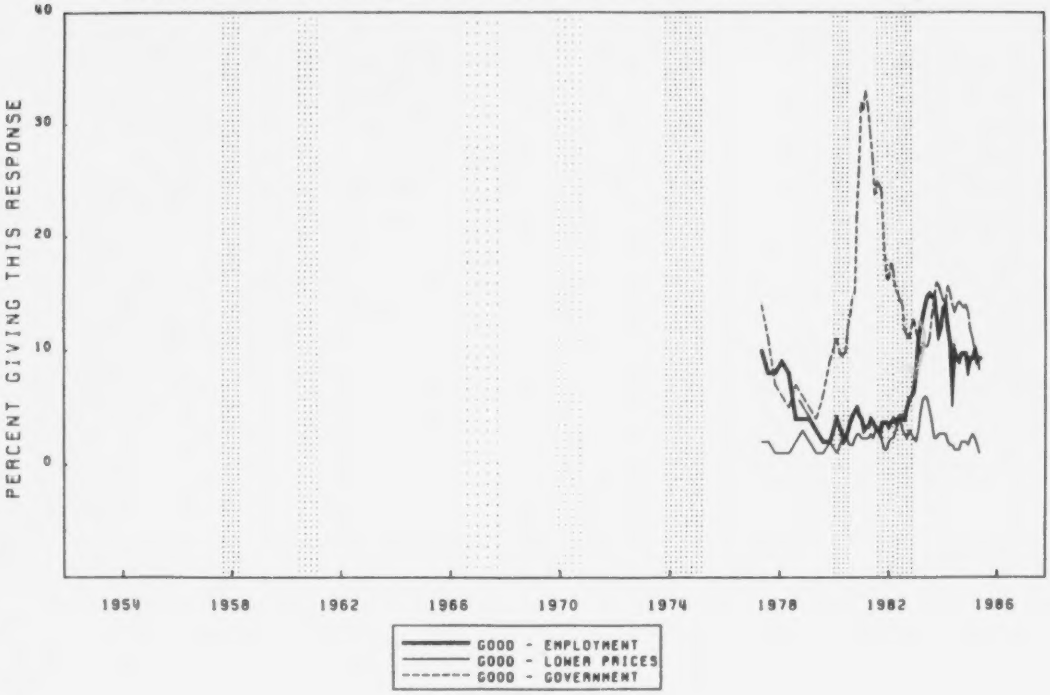


CHART 16B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

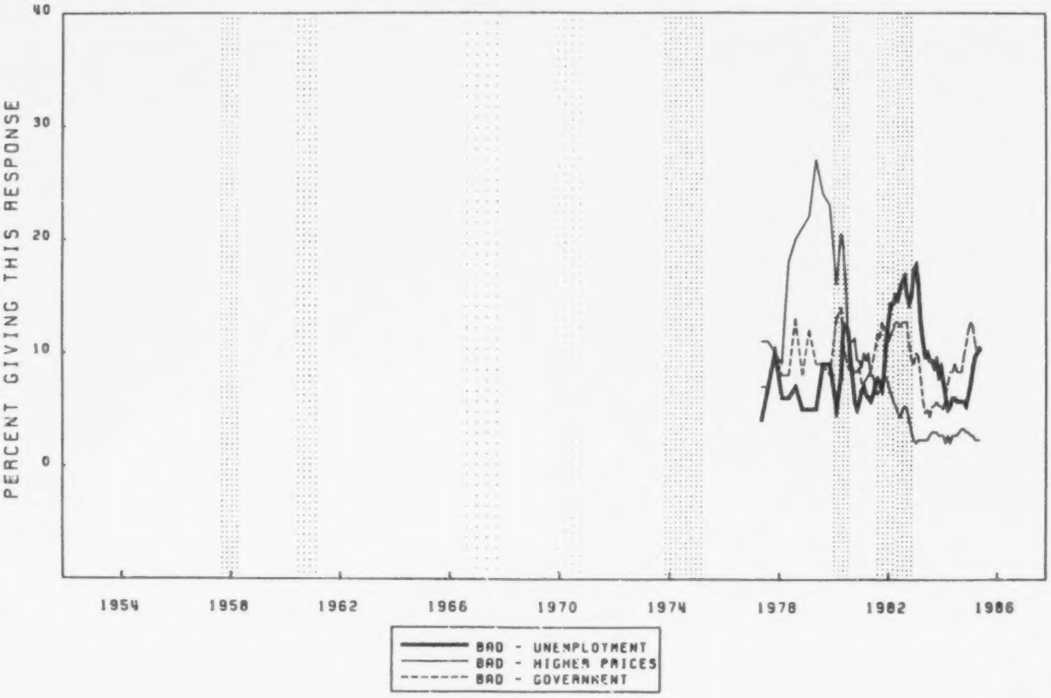


TABLE 16

REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
FAVORABLE REASONS:													
Government; elections	12%	15%	15%	13%	14%	14%	14%	12%	9%	12%	8%	9%	8%
Employment	9	10	9	8	12	9	8	8	12	8	10	9	9
Higher consumer demand	5	4	5	5	2	2	5	4	4	4	5	5	4
Lower prices	2	1	1	2	3	1	2	2	3	3	1	1	1
Easier credit	2	2	4	4	4	3	5	6	4	4	4	3	2
UNFAVORABLE REASONS:													
Government; elections	9	11	5	9	11	9	12	15	11	11	10	9	13
Unemployment	6	5	6	6	5	6	5	8	9	9	11	10	10
Lower consumer demand	2	2	2	3	2	2	3	4	2	2	4	4	4
Higher prices	3	2	3	4	3	3	3	3	2	3	2	2	3
Tighter credit	7	8	7	5	4	4	3	3	4	3	2	2	1
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

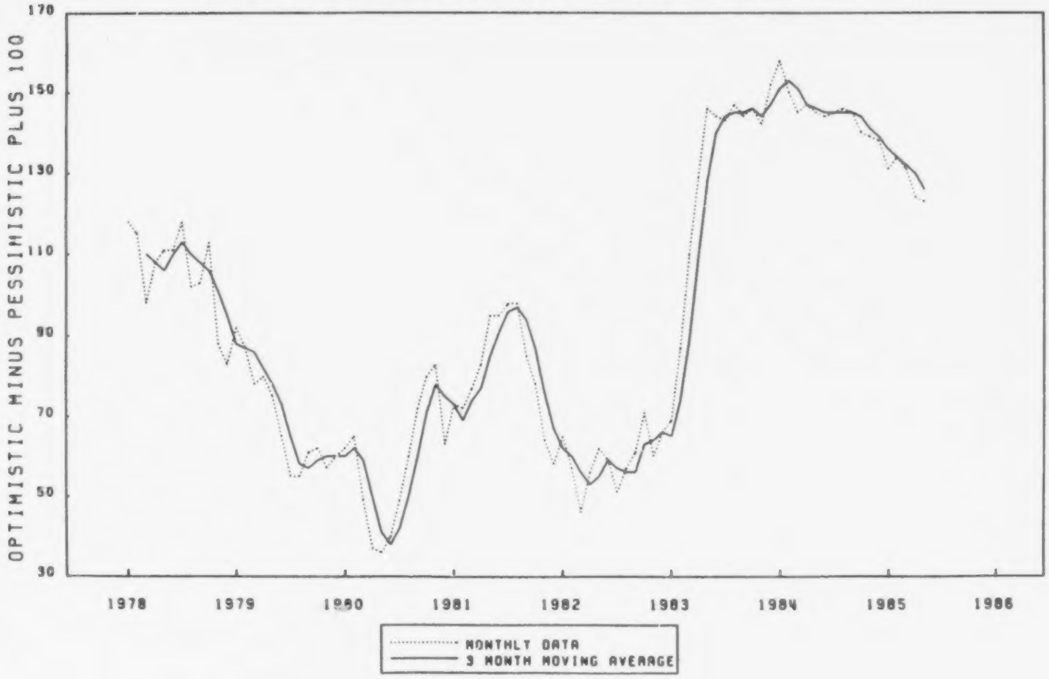


CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

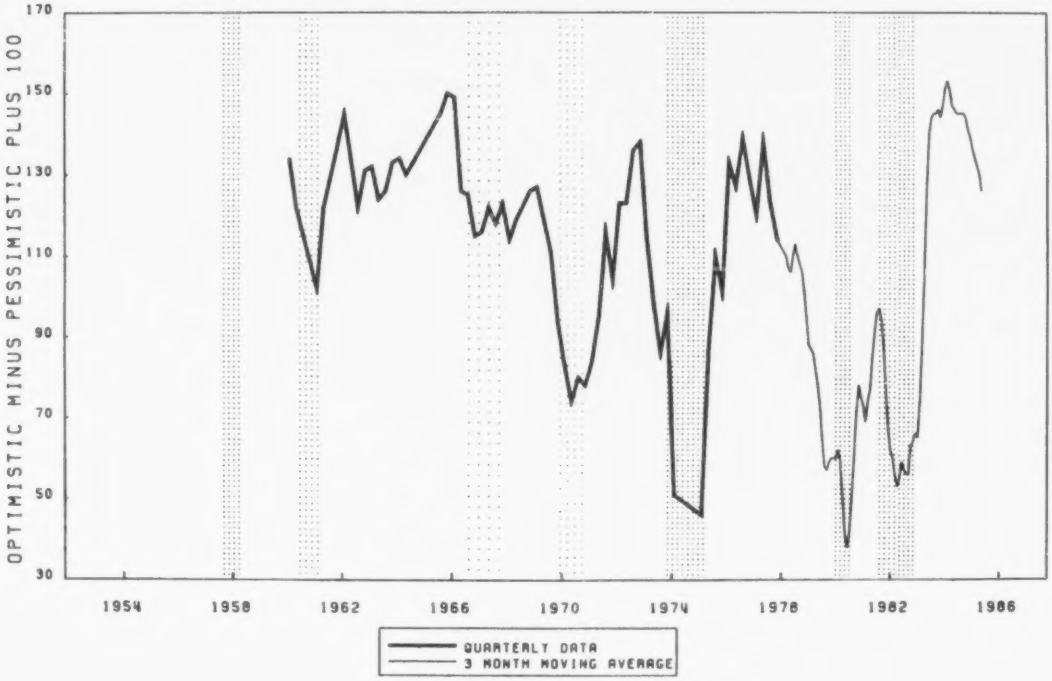


TABLE 17

TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
TREND:													
Continuous increase (a)	27%	25%	25%	25%	27%	24%	28%	27%	21%	26%	22%	21%	18%
Intermittent increase (b)	36	37	38	36	35	36	32	32	36	31	33	29	34
Remain unchanged (c)	7	7	4	6	6	5	6	7	8	7	9	11	8
Intermittent decline (d)	13	11	12	10	11	12	14	13	17	15	15	18	18
Continuous decline (e)	5	7	6	5	6	8	7	8	9	8	9	8	11
Mixed change (f)	10	9	9	12	10	10	9	9	7	9	8	8	8
DK,NA	2	4	6	6	5	5	4	4	2	4	4	5	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

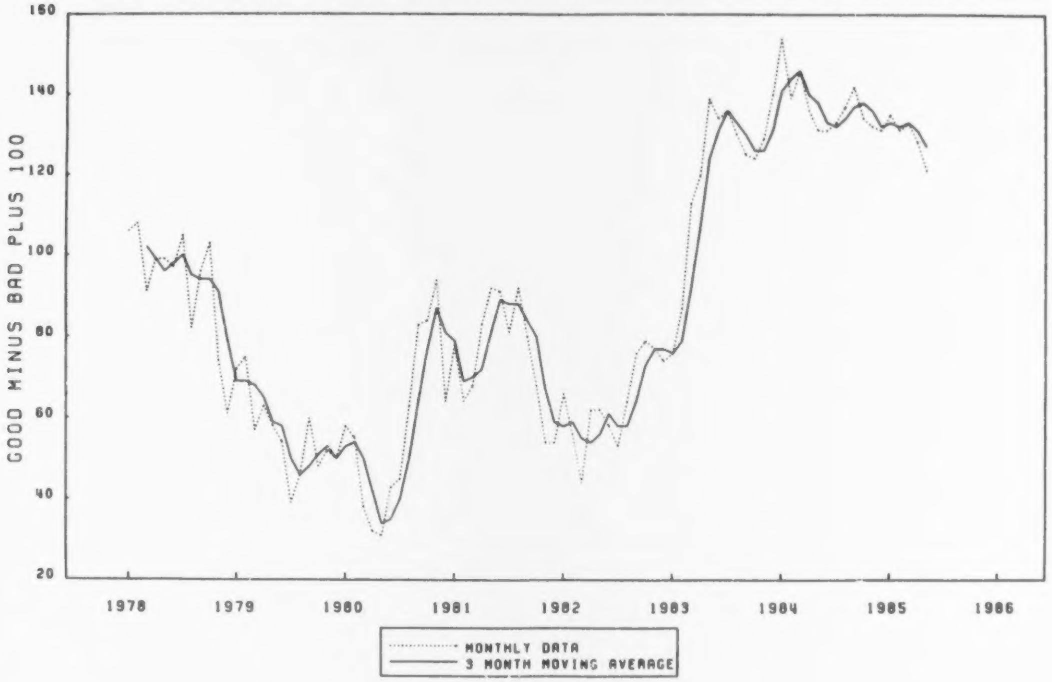


CHART 18 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

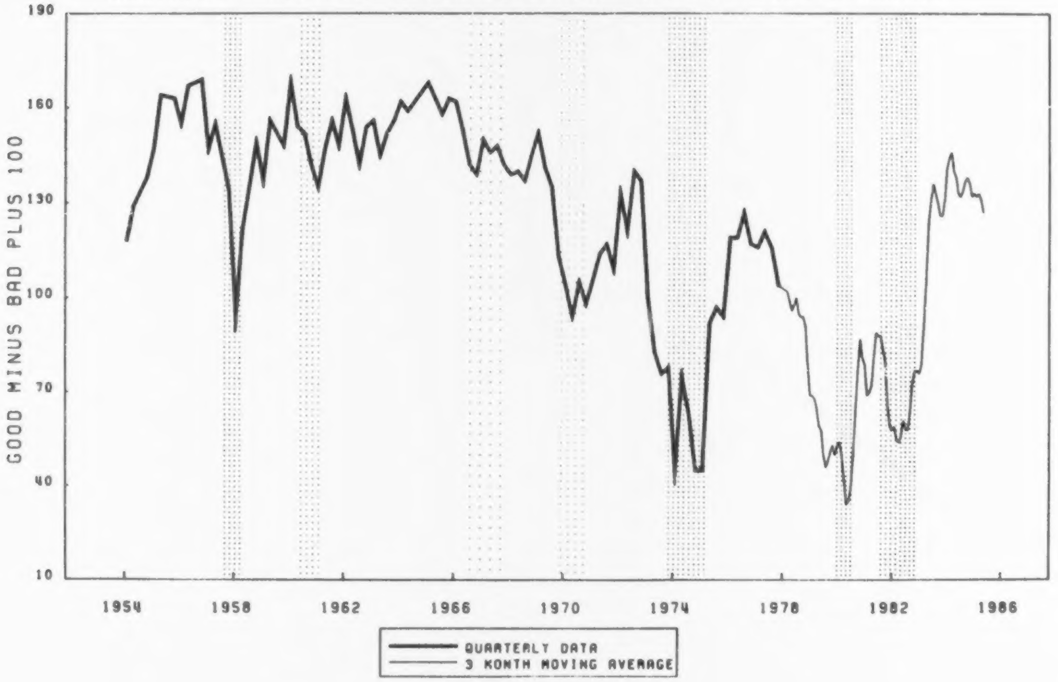


TABLE 18

BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
GOOD TIMES	60%	60%	61%	62%	66%	60%	59%	59%	63%	62%	62%	58%	55%
UNCERTAIN; GOOD & BAD	3	2	2	3	3	4	3	3	4	2	2	3	1
BAD TIMES	29	29	28	25	24	26	27	28	28	31	29	30	34
DON±T KNOW	5	6	6	7	6	6	7	7	4	3	5	6	6
NOT ASCERTAINED	3	3	3	3	1	4	4	3	1	2	2	3	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we±ll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

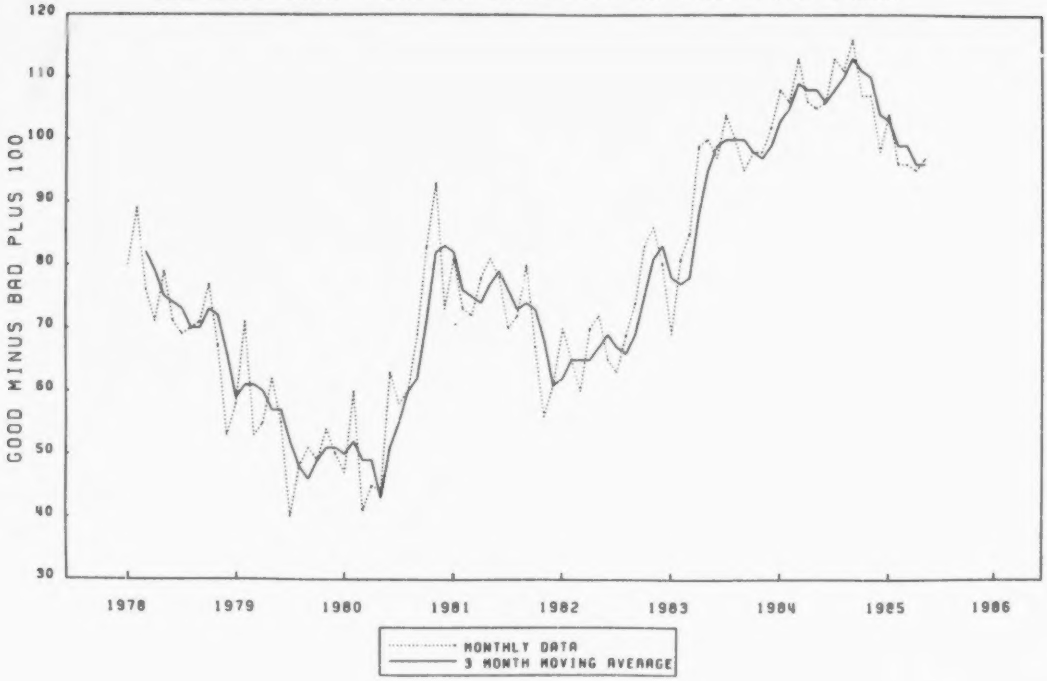


CHART 19 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

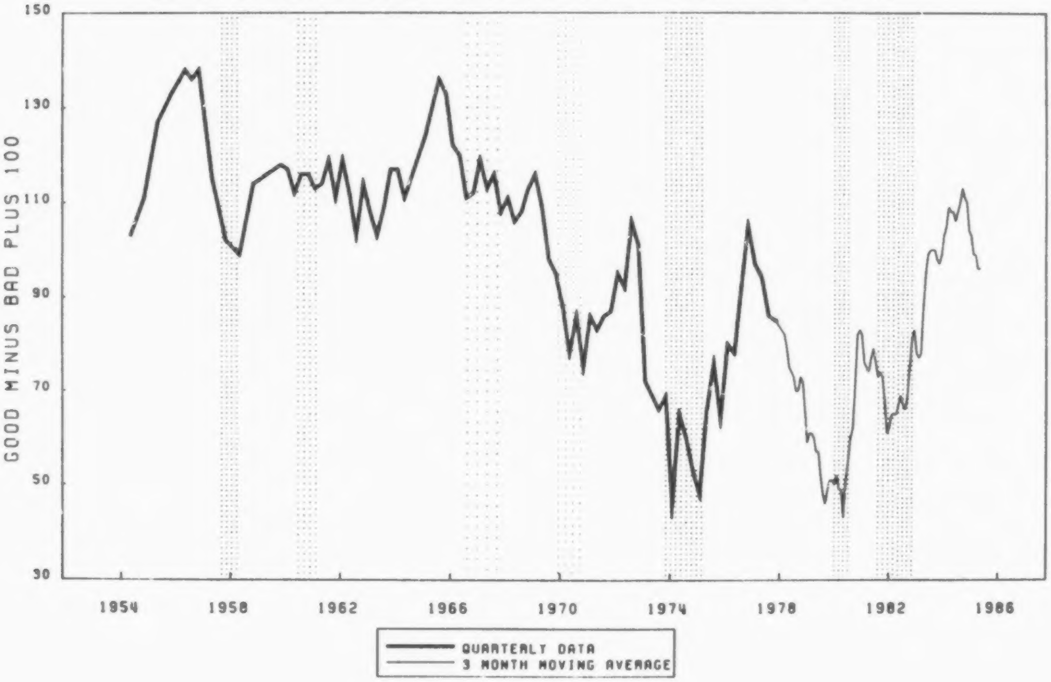


TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
GOOD TIMES	43%	42%	44%	47%	47%	43%	42%	39%	43%	41%	40%	39%	40%
UNCERTAIN; GOOD & BAD	15	17	19	13	17	17	17	15	15	11	13	14	14
BAD TIMES	38	36	31	36	31	36	35	41	39	45	44	44	43
NOT ASCERTAINED	4	5	6	4	5	4	6	5	3	3	3	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

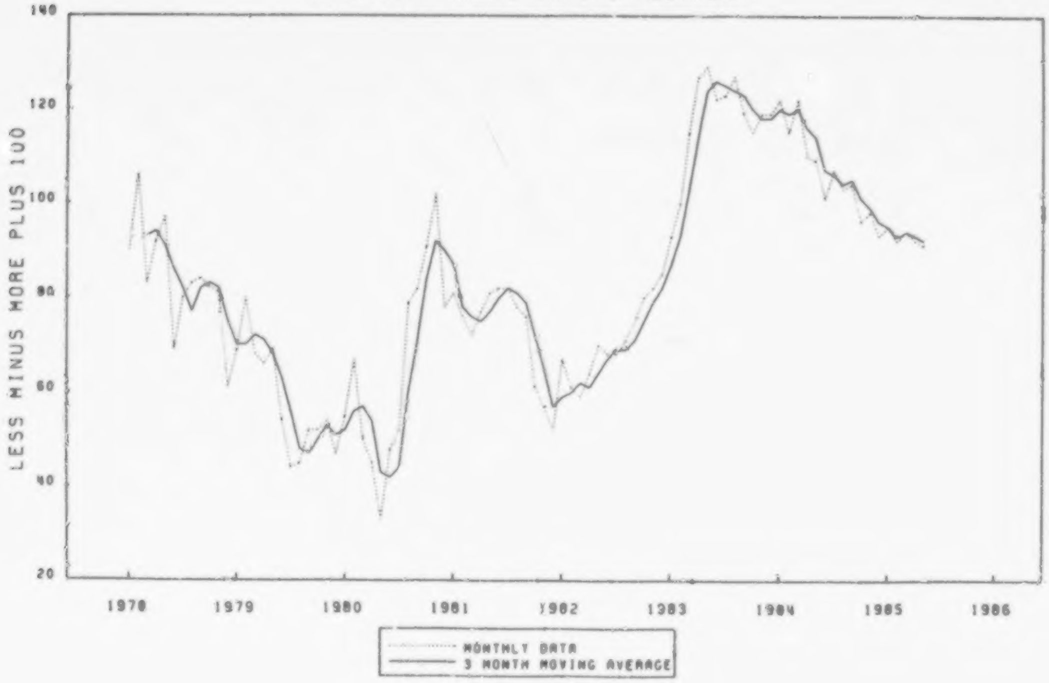


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

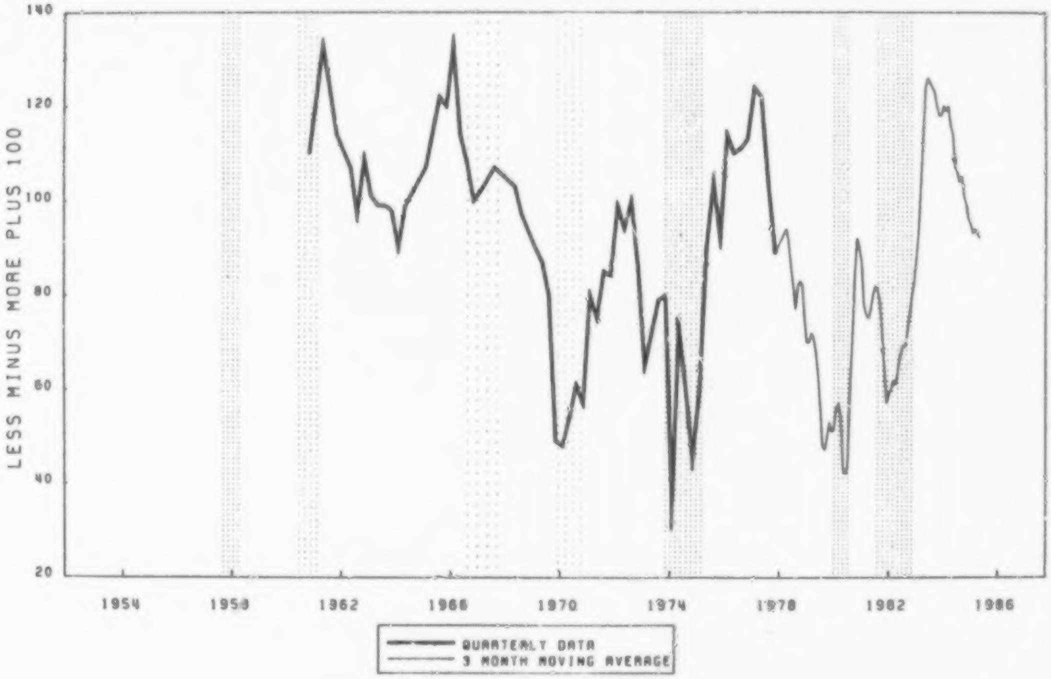


TABLE 20

EXPECTED CHANGE IN UNEMPLOYMENT

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
LESS	29%	24%	26%	24%	26%	20%	22%	21%	20%	20%	23%	20%	19%
SAME	51	52	53	54	50	54	52	50	54	50	47	50	52
MORE	20	23	19	21	22	24	24	28	25	28	29	28	28
DK,NA	*	1	2	1	2	2	2	1	1	2	1	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

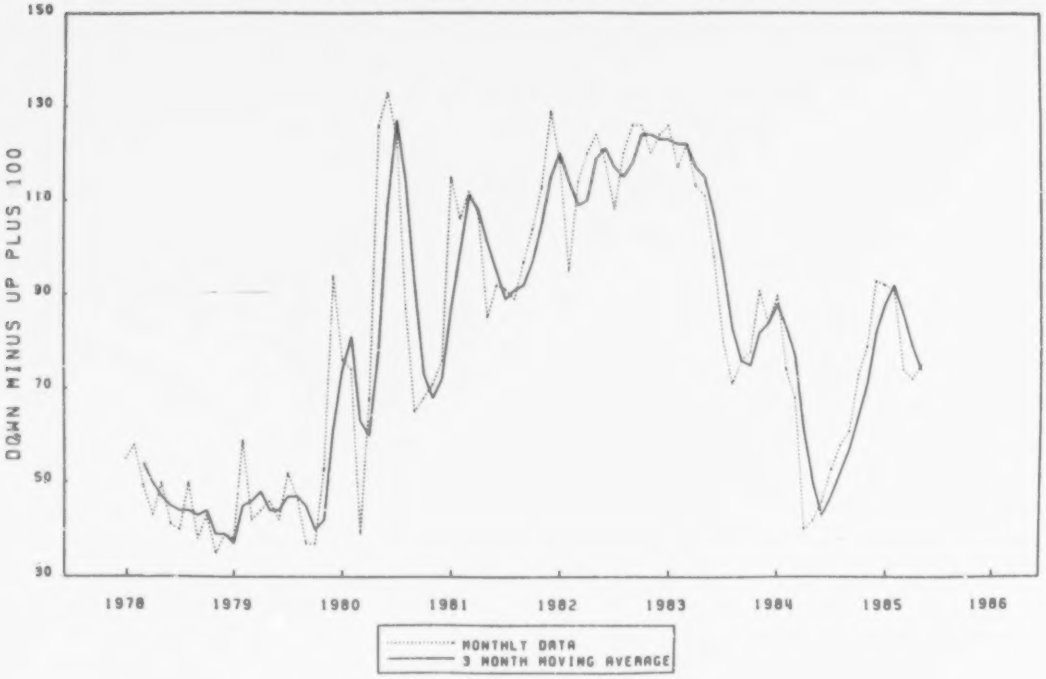


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

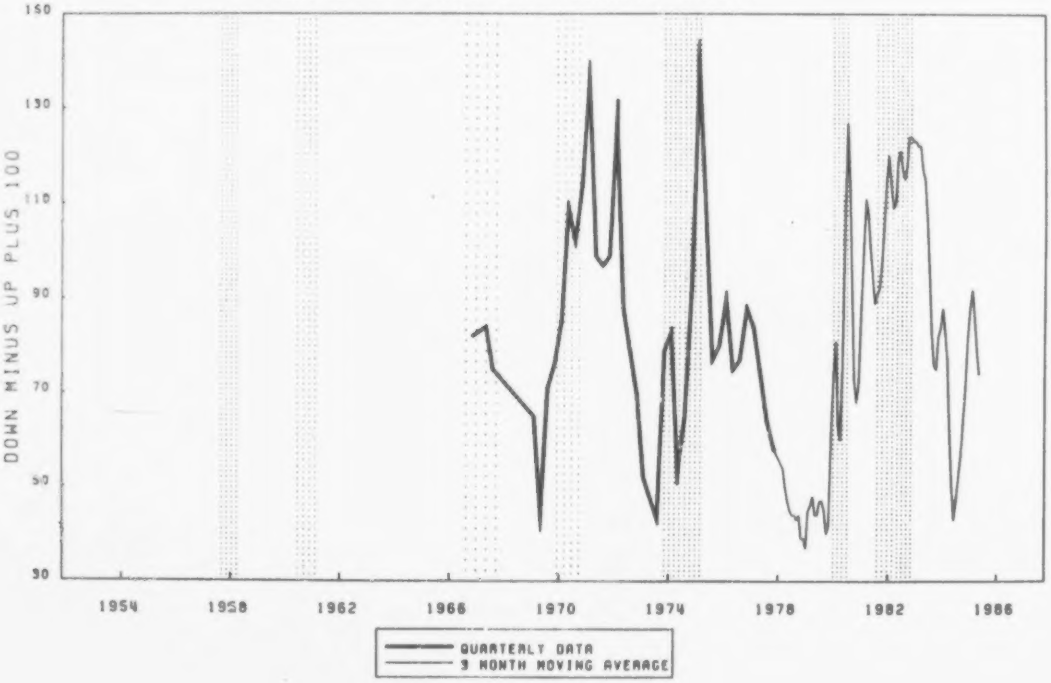


TABLE 21

EXPECTED CHANGE IN INTEREST RATES

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
GO UP	66%	64%	58%	55%	52%	45%	44%	37%	36%	35%	45%	47%	44%
STAY THE SAME	25	24	27	29	32	33	31	30	33	37	32	31	34
GO DOWN	8	10	11	13	13	18	23	30	28	26	19	19	19
DK,NA	1	2	4	3	3	4	2	3	3	2	4	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES
CHANGE IN PRICES DURING THE LAST 12 MONTHS

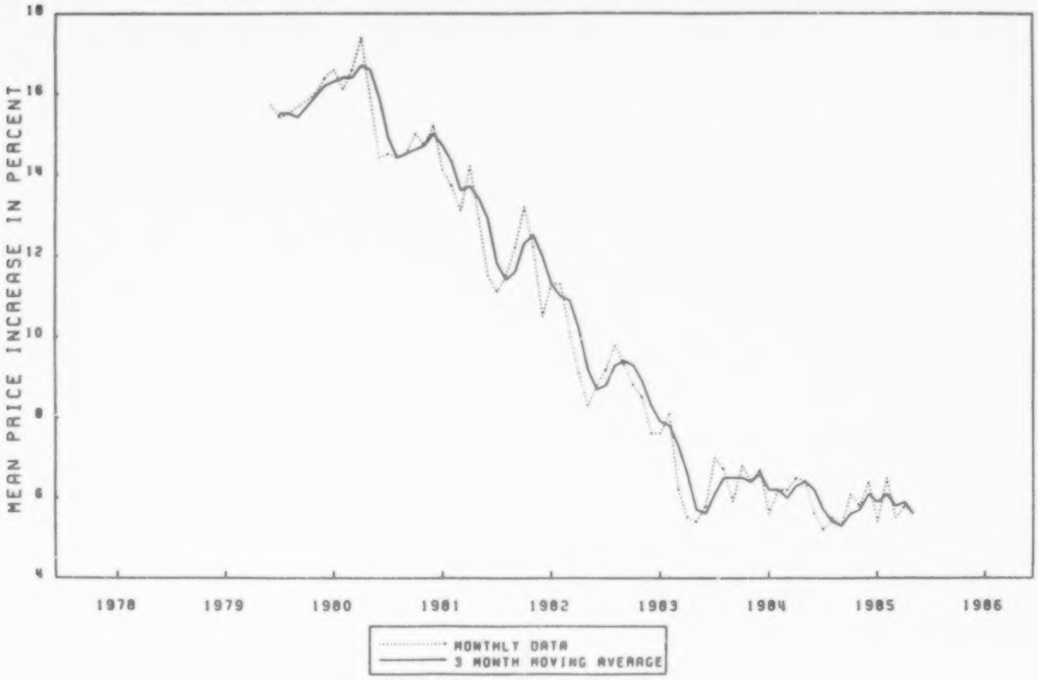


CHART 22 - HISTORICAL SERIES
CHANGE IN PRICES DURING THE LAST 12 MONTHS

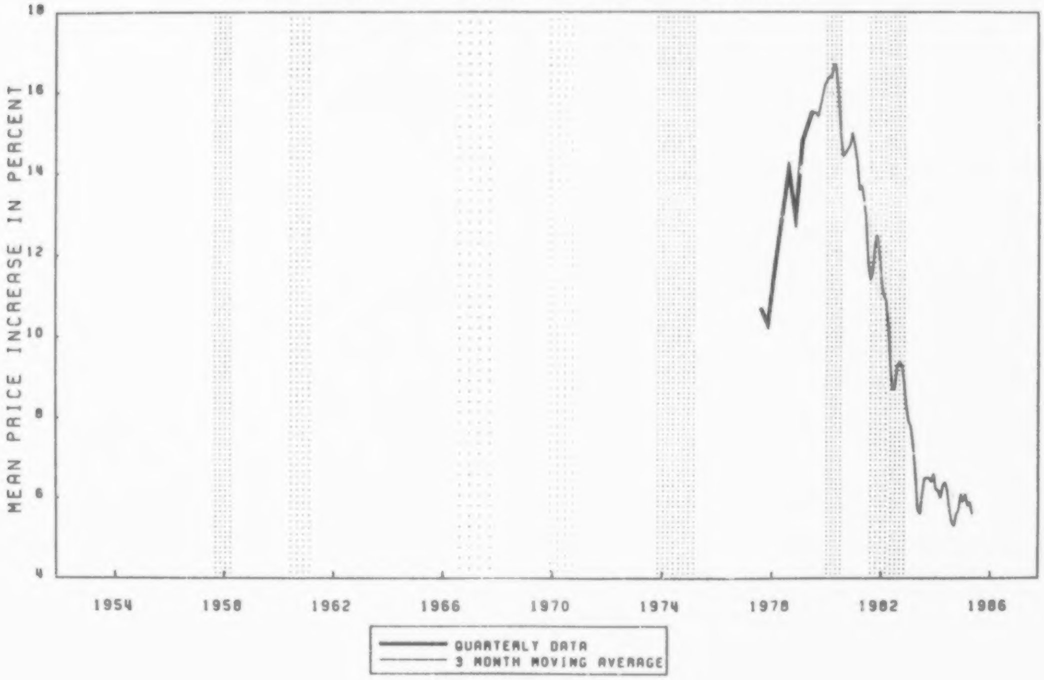


TABLE 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
SAME OR DOWN	23%	22%	27%	29%	29%	28%	27%	24%	25%	25%	28%	24%	23%
GONE UP BY:													
1-2%	10	12	8	10	9	9	11	9	11	11	11	10	13
3-4%	14	17	17	12	16	15	15	14	17	16	18	17	18
5%	17	16	16	18	16	13	14	18	17	13	14	16	16
6-9%	9	8	8	8	7	7	5	6	7	8	5	8	7
10-14%	13	12	11	11	9	11	11	11	10	11	10	13	9
15% or more	10	8	8	7	8	11	10	10	8	11	9	8	9
DK how much up	4	5	4	5	6	5	6	7	5	4	5	4	4
DK,NA	*	*	1	*	*	1	1	1	*	1	*	*	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	6.4	5.6	5.2	5.5	5.3	6.1	5.8	6.4	5.4	6.5	5.5	5.8	5.6
VARIANCE	78	54	48	75	63	84	76	86	66	93	72	64	72
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

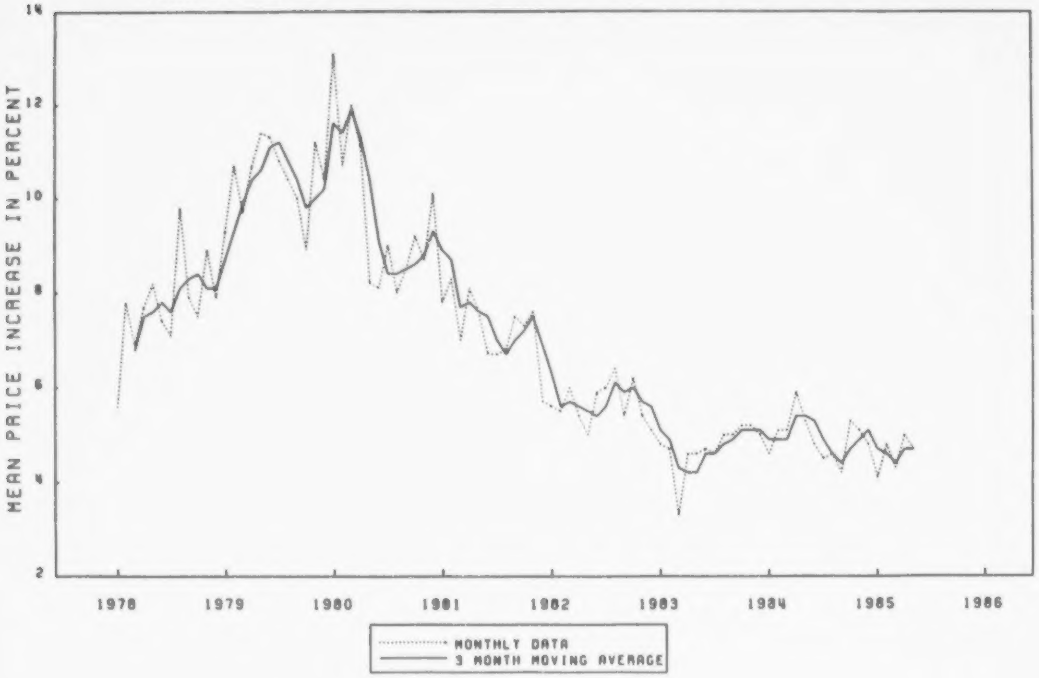


CHART 23 - HISTORICAL SERIES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

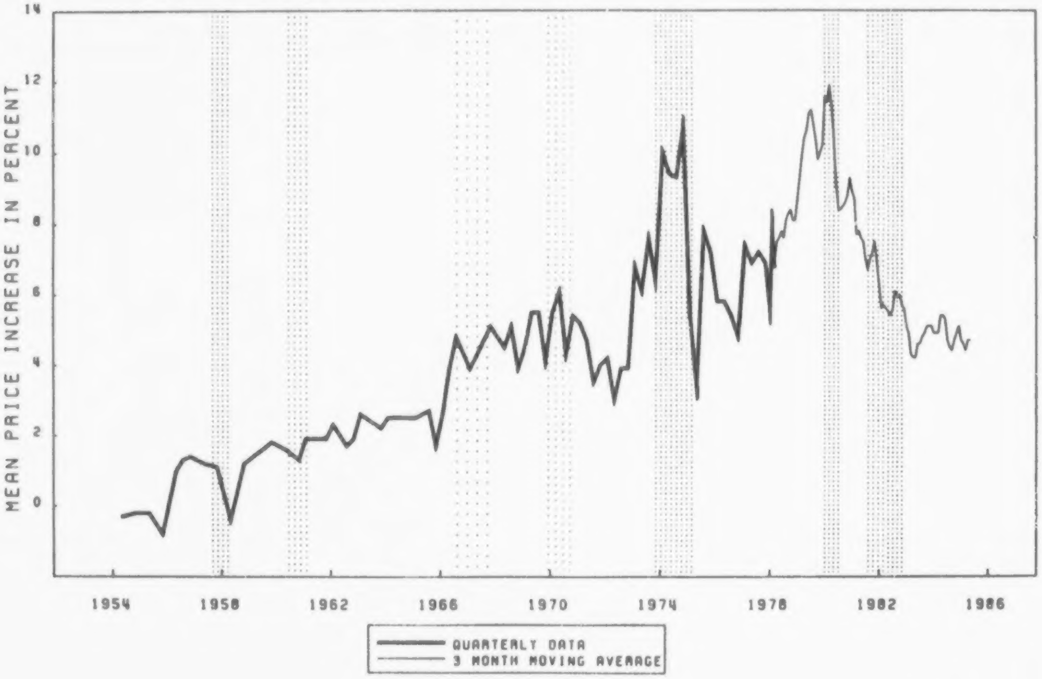


TABLE 23

EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
SAME OR DOWN	19%	19%	23%	24%	24%	22%	23%	25%	26%	25%	26%	22%	20%
WILL GO UP BY:													
1-2%	15	14	13	18	16	13	14	13	16	14	15	13	17
3-4%	15	16	17	15	19	15	17	17	20	19	19	20	20
5%	20	18	20	18	14	18	18	16	15	15	15	16	20
6-9%	11	11	8	6	8	9	6	9	6	6	6	8	6
10-14%	9	13	8	8	8	10	9	9	7	10	9	11	7
15% or more	6	4	5	5	4	7	7	5	4	6	6	6	6
DK how much up	4	4	3	5	4	4	4	4	4	4	4	3	2
DK,NA	1	1	3	1	3	2	2	2	2	1	*	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	5.3	4.8	4.5	4.6	4.2	5.3	5.1	4.8	4.1	4.8	4.3	5.0	4.7
VARIANCE	49	27	33	46	36	53	47	44	36	51	34	44	46
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

* : Less than half of one percent.

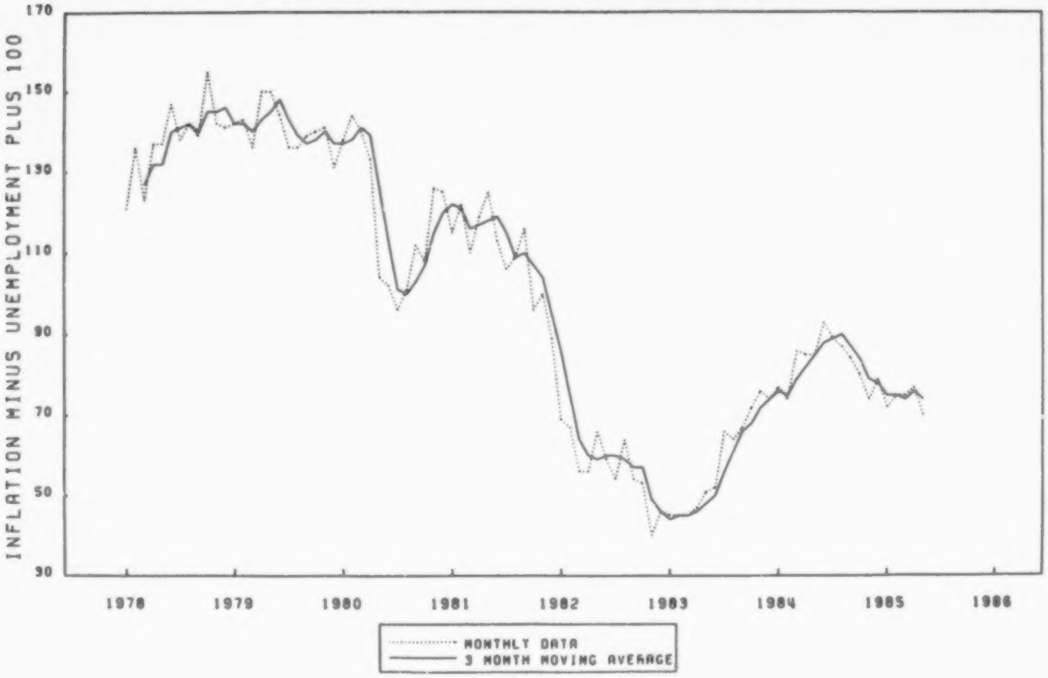


CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

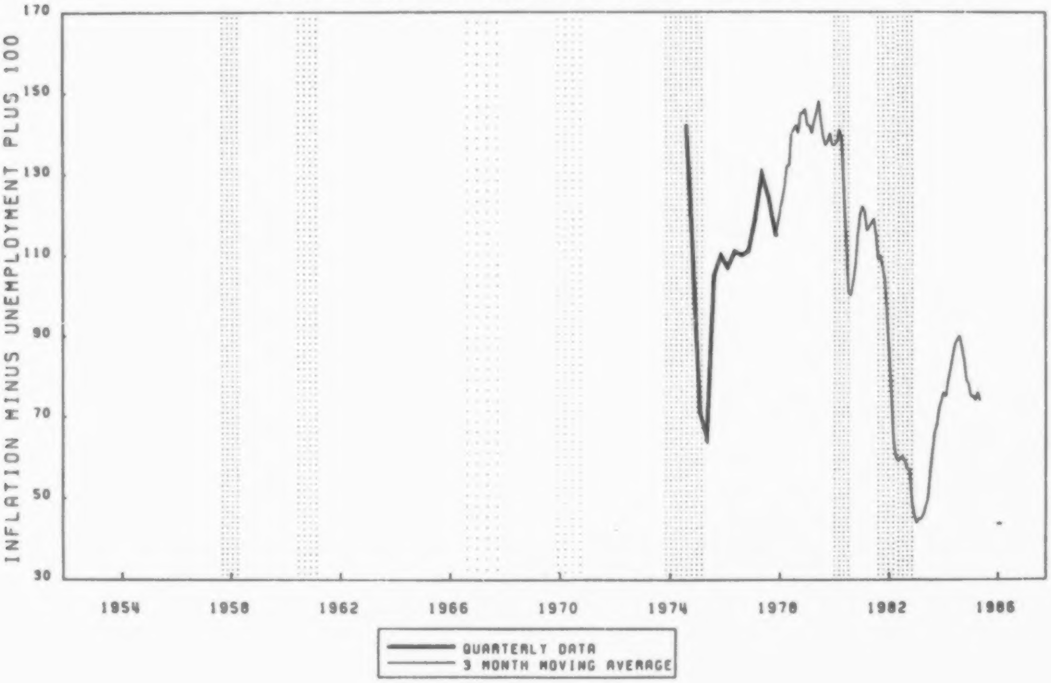


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

TABLE 24

UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
UNEMPLOYMENT	54%	51%	51%	52%	54%	55%	59%	56%	60%	58%	59%	57%	61%
BOTH EQUALLY SERIOUS	6	3	7	6	5	8	7	6	6	5	5	6	6
INFLATION	39	44	40	39	38	35	33	35	32	33	34	34	31
DK,NA	1	2	2	3	3	2	1	3	2	4	2	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

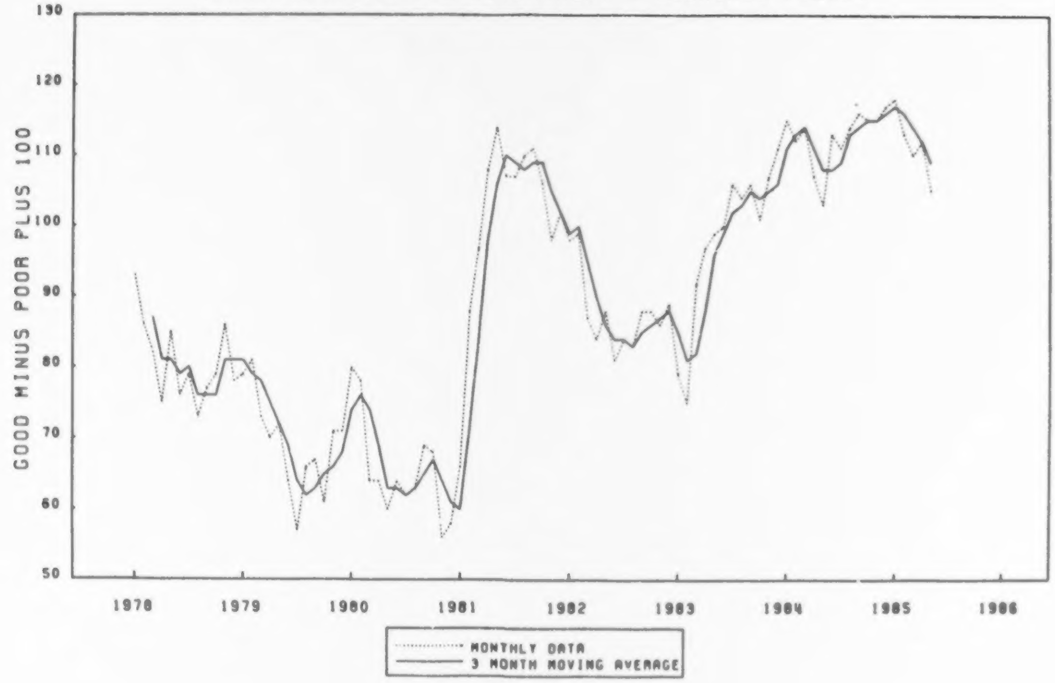


CHART 25 - HISTORICAL SERIES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

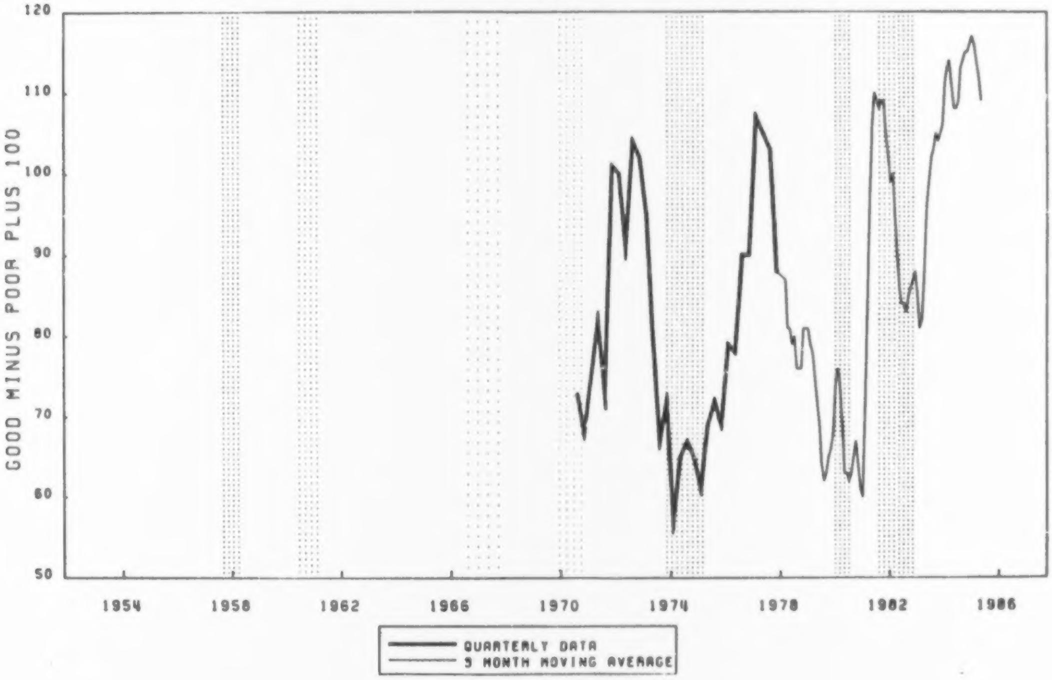


TABLE 25

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
A GOOD JOB	25%	31%	30%	33%	35%	36%	32%	33%	34%	33%	32%	30%	26%
ONLY FAIR	52	49	48	46	44	41	50	49	49	46	43	50	51
A POOR JOB	22	18	19	19	19	21	17	16	16	20	22	18	21
DK,NA	1	2	3	2	2	2	1	2	1	1	3	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

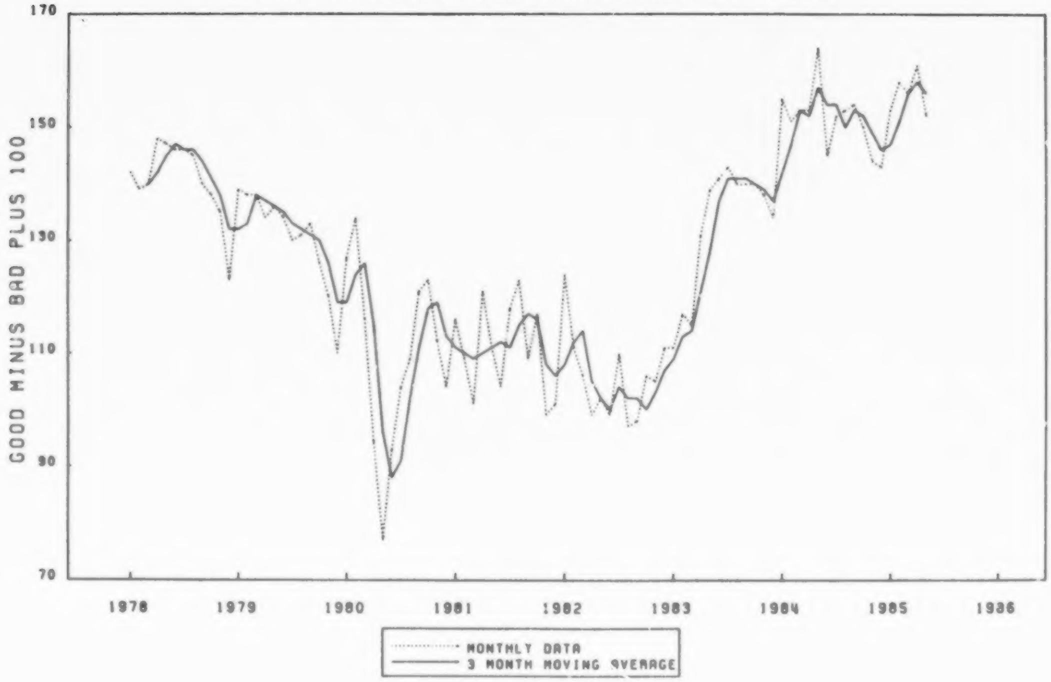


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

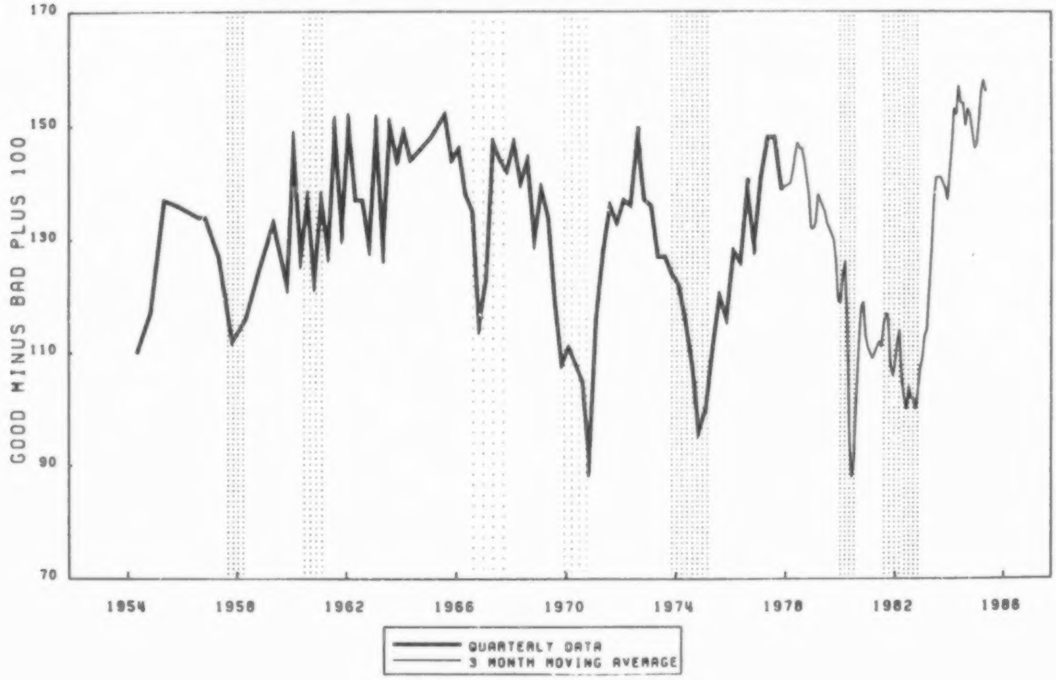


TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
GOOD TIME TO BUY	77%	67%	71%	72%	72%	70%	67%	67%	73%	75%	74%	77%	72%
UNCERTAIN, DEPENDS	10	11	10	9	10	10	10	9	7	8	8	7	8
BAD TIME TO BUY	13	22	19	19	18	20	23	24	20	17	18	16	20
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

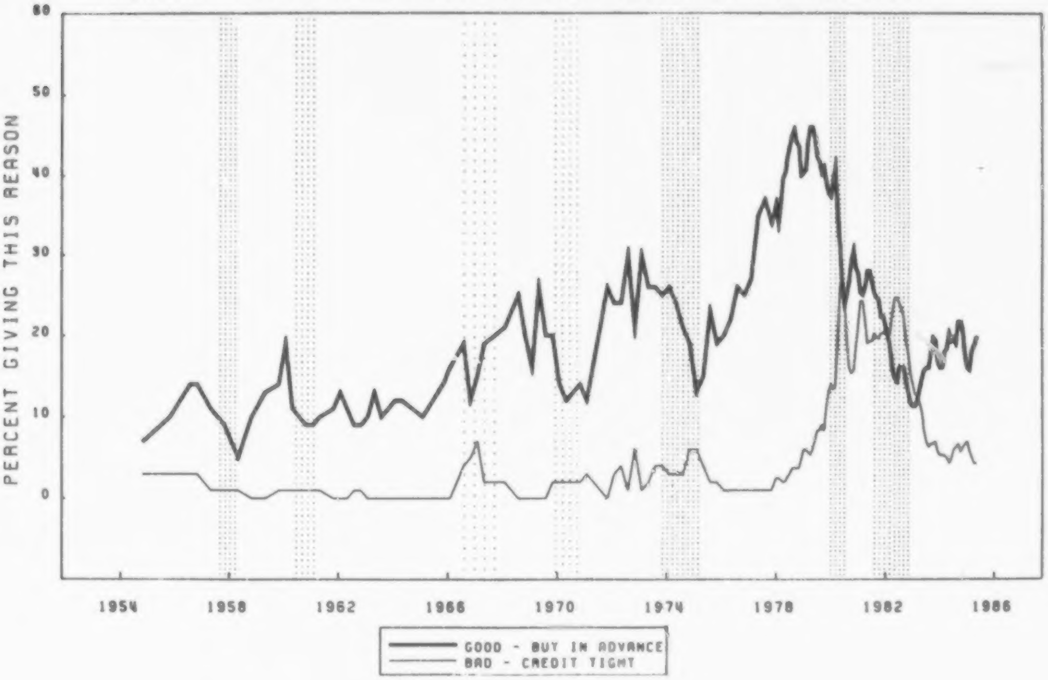


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

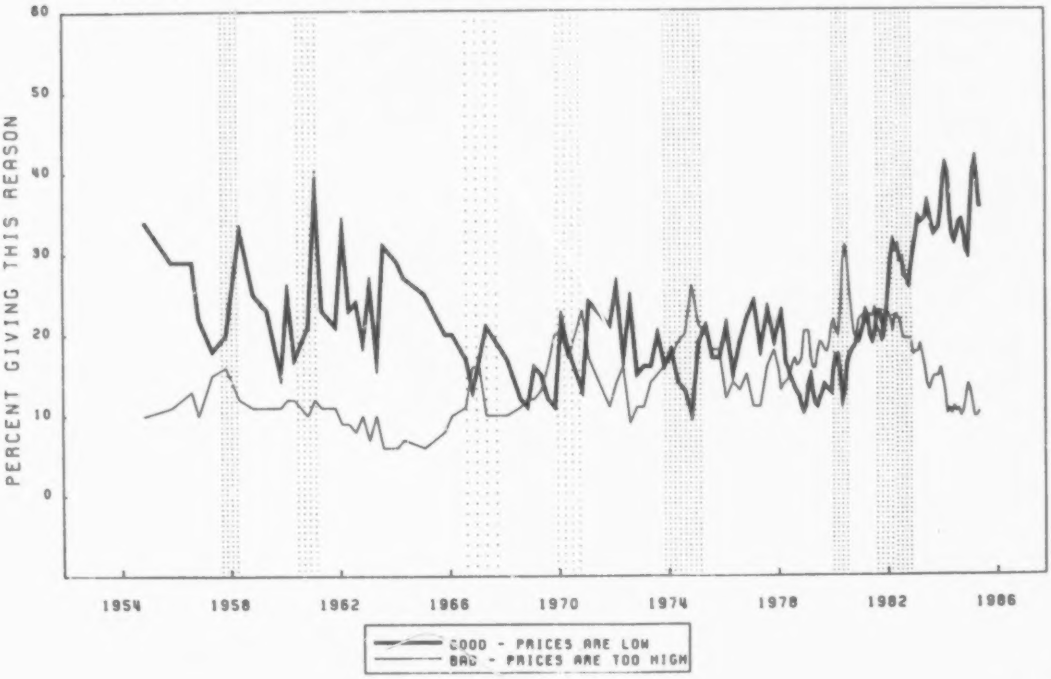


TABLE 27

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	31%	33%	33%	35%	34%	29%	28%	32%	45%	43%	36%	37%	34%
Prices won't come down; are going higher	22	16	21	20	24	21	17	15	16	16	22	18	19
Interest rates low; credit is easy	11	11	10	8	8	11	11	10	11	11	10	13	11
BAD TIME TO BUY:													
Prices are high	8	13	10	9	10	12	14	15	10	9	10	10	11
Interest rates are high; credit is tight	5	5	8	6	6	5	8	7	6	4	5	4	4
Lack of purchasing power	5	7	5	7	7	7	7	7	10	6	7	6	9

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

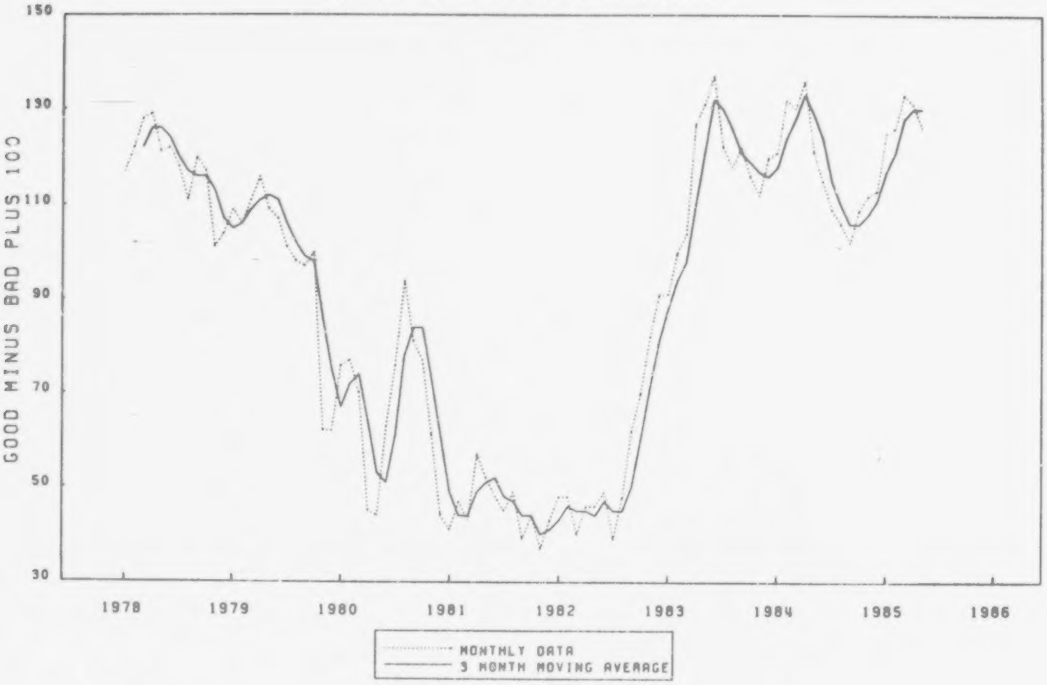


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

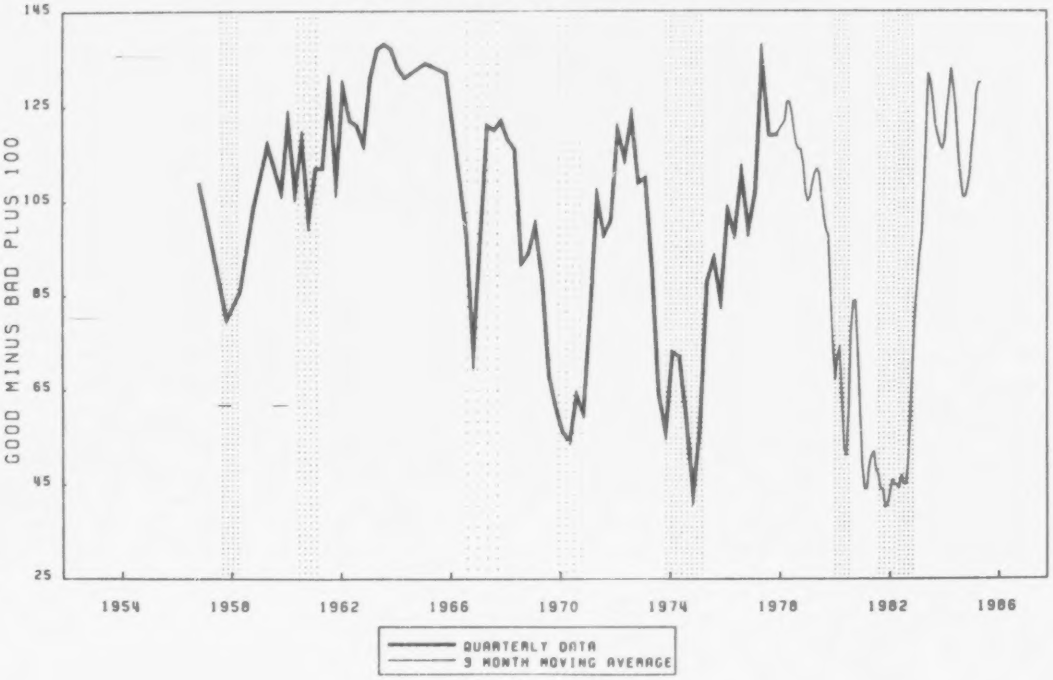


TABLE 28

BUYING CONDITIONS FOR HOUSES

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
GOOD TIME TO BUY	58%	55%	52%	50%	48%	52%	54%	54%	61%	61%	64%	64%	61%
UNCERTAIN, DEPENDS	5	5	5	6	6	5	4	5	3	4	5	3	4
BAD TIME TO BUY	37	40	43	44	46	43	42	41	36	35	31	33	35
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

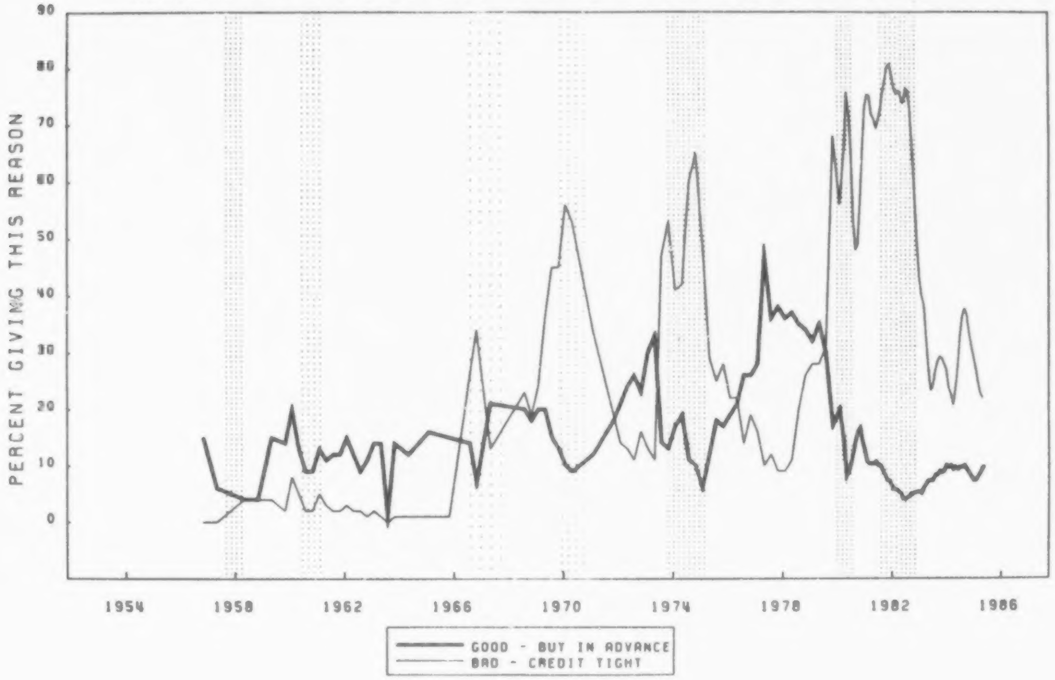


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

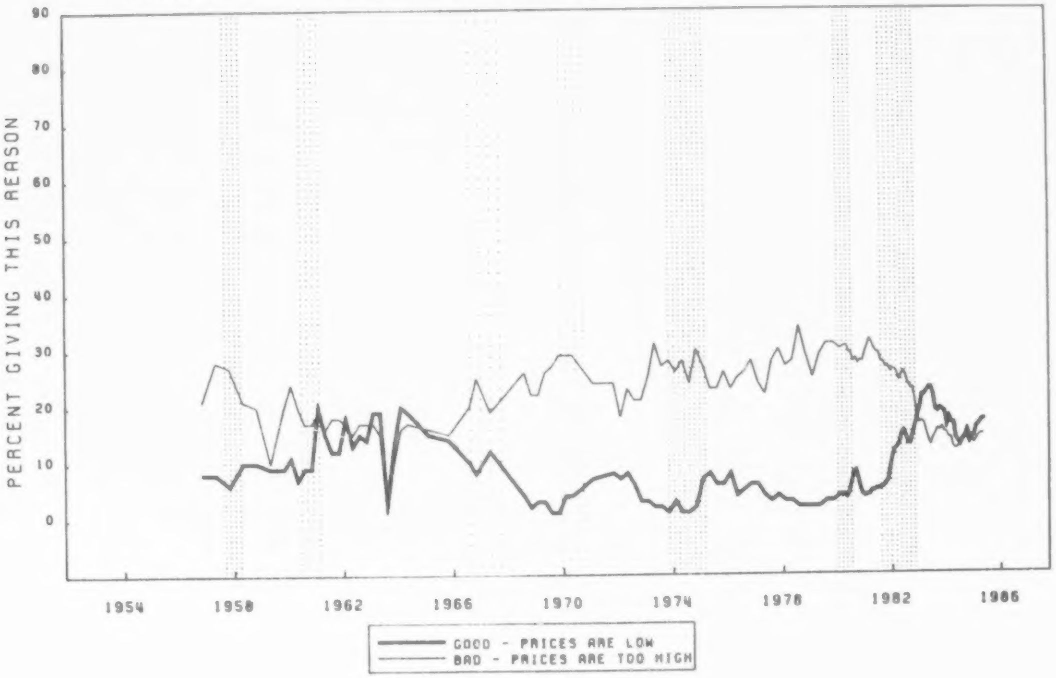


TABLE 29

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	12%	13%	13%	15%	14%	15%	11%	17%	15%	16%	18%	17%	17%
Prices won't come down; are going higher	9	9	11	9	10	9	7	8	7	7	10	9	10
Interest rates low; credit is easy	44	38	37	35	34	35	44	38	49	50	48	47	43
Good investment	5	8	5	4	7	5	7	5	6	6	7	6	6
BAD TIME TO BUY:													
Prices are high	12	14	12	16	16	16	12	13	14	14	15	15	14
Interest rates are high; credit is tight	29	33	36	40	37	33	31	30	27	25	22	21	23
Lack of purchasing power	12	10	11	11	11	10	13	13	12	11	9	12	16

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

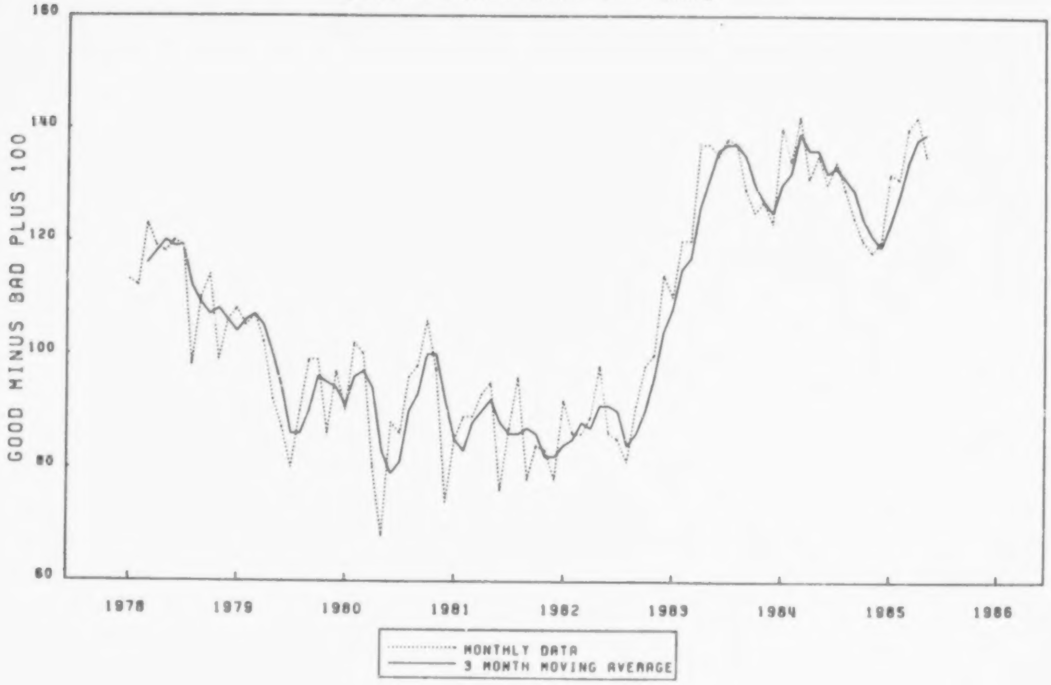


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

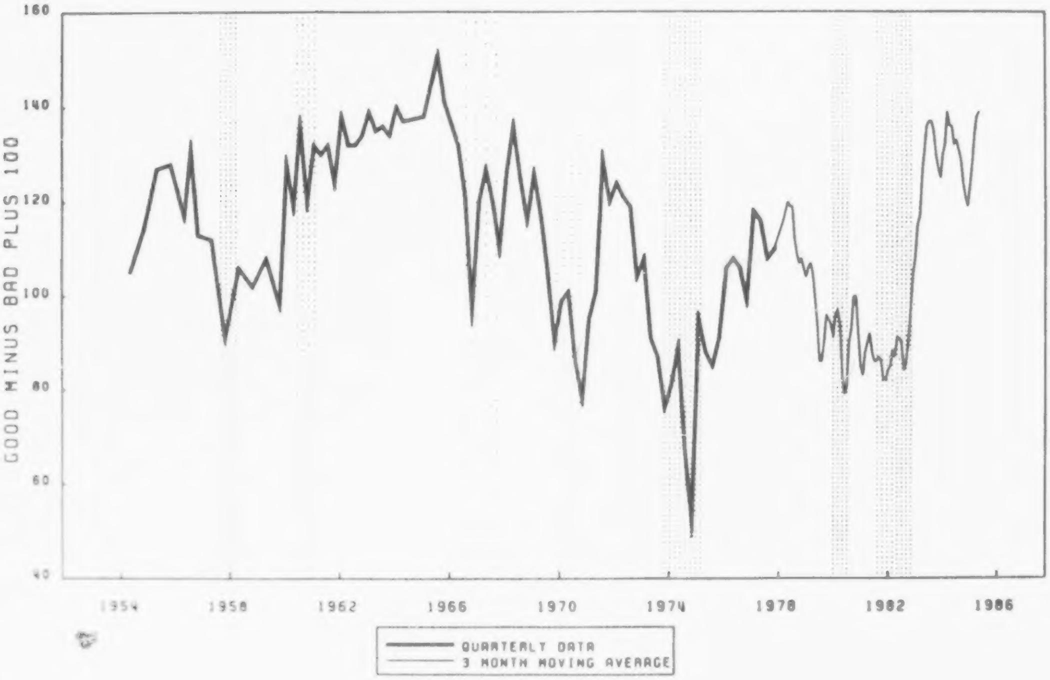


TABLE 30

BUYING CONDITIONS FOR CARS

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
GOOD TIME TO BUY	63%	60%	62%	59%	59%	54%	55%	55%	62%	61%	67%	68%	65%
UNCERTAIN; DEPENDS	9	10	10	11	6	12	8	10	8	9	6	6	5
BAD TIME TO BUY	28	30	28	30	35	34	37	35	30	30	27	26	30
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

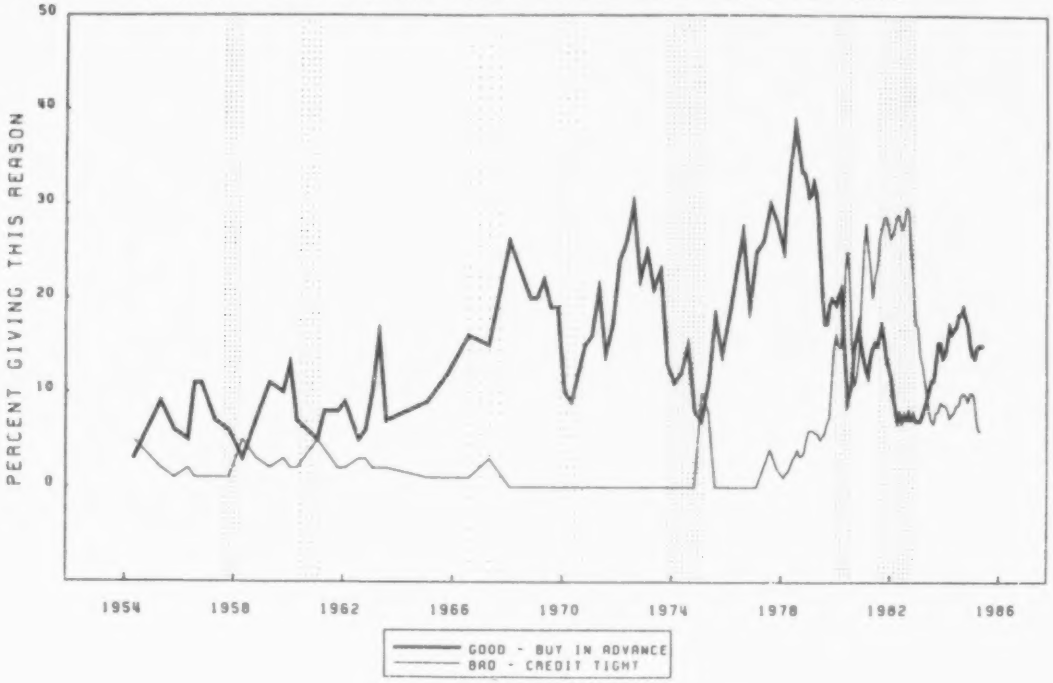


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

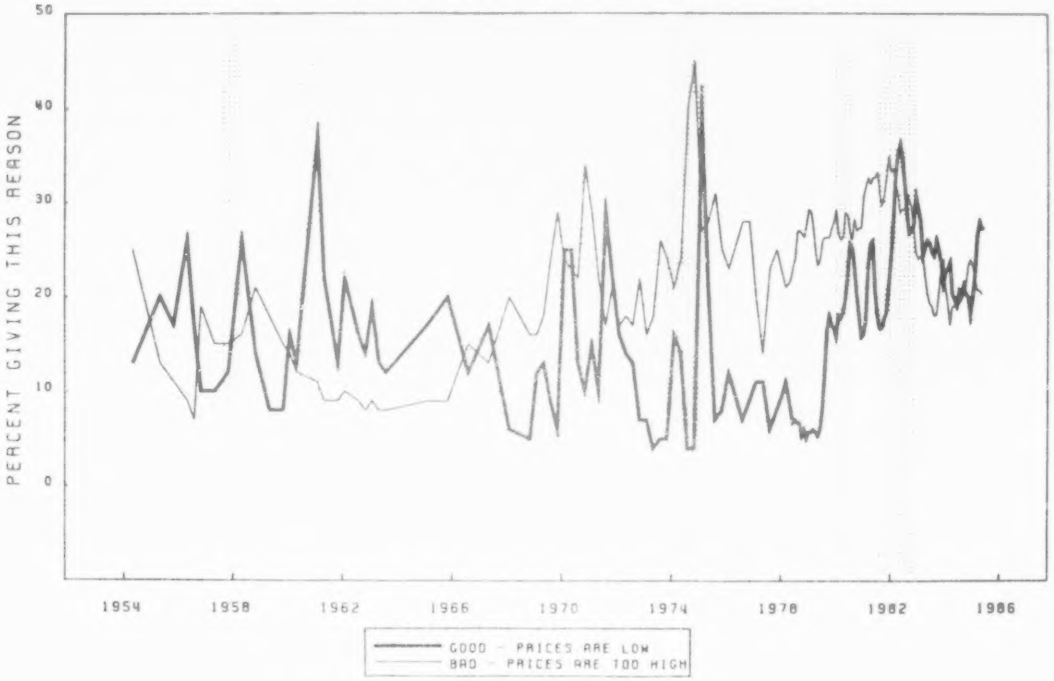


TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	20%	21%	21%	19%	24%	18%	18%	18%	24%	26%	30%	28%	24%
Prices won't come down; are going higher	17	18	20	17	20	17	15	14	13	14	17	14	14
Interest rates low; credit is easy	18	18	24	17	15	14	18	15	23	24	23	25	28
New fuel efficient models	3	1	1	2	1	2	*	2	*	1	1	1	1
BAD TIME TO BUY:													
Prices are high	18	20	20	19	22	23	25	24	21	21	20	21	20
Interest rates are high; credit is tight	9	8	9	12	9	8	10	12	8	8	5	5	8
Lack of purchasing power	5	4	4	5	6	6	8	7	7	6	6	4	6
Price of gas; shortages	*	*	*	1	*	*	*	*	*	*	*	*	*
Poor selection; quality	2	2	4	4	3	3	5	4	4	4	3	4	3

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

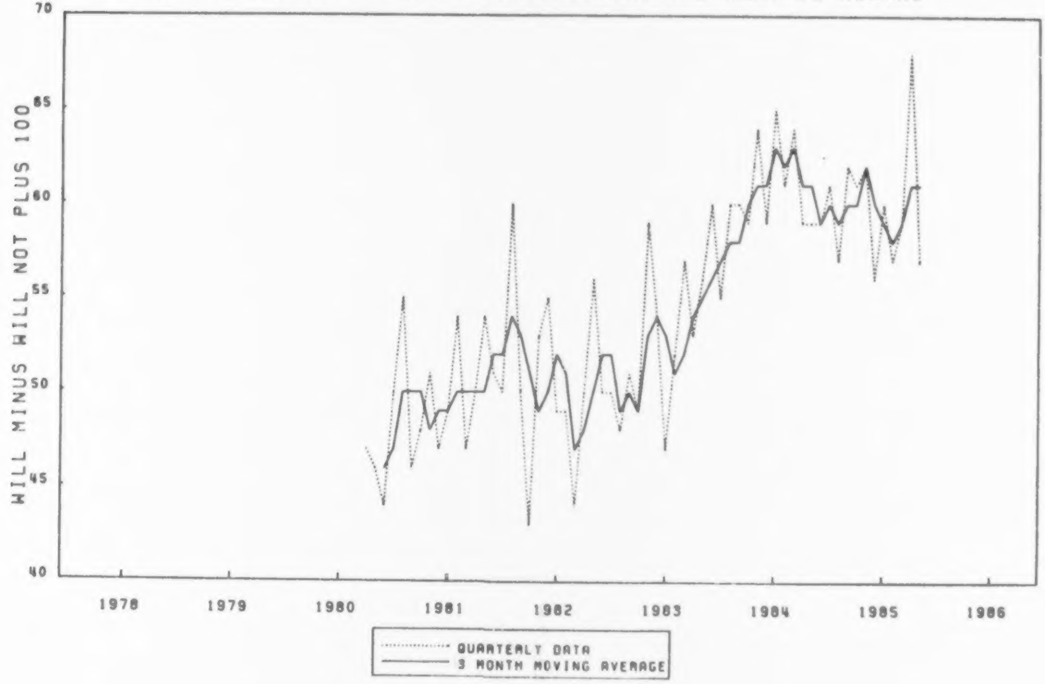


CHART 32 - HISTORICAL SERIES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

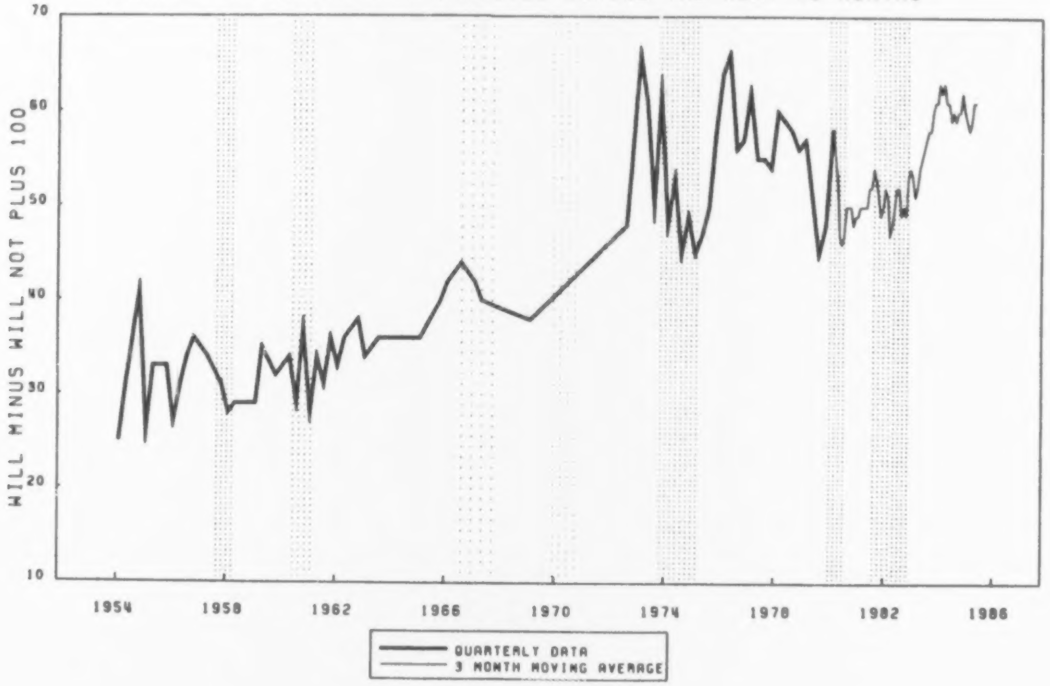


TABLE 32

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
PROBABLY WILL BUY	19%	20%	20%	21%	22%	21%	21%	19%	20%	19%	20%	24%	18%
CHANCES ARE EVEN	12	9	9	7	8	8	9	9	9	9	8	7	9
PROBABLY WILL NOT BUY	60	61	59	64	60	60	59	63	60	62	61	56	61
DK,NA	9	10	12	8	10	11	11	9	11	10	11	13	12
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	680	656	693	690	706	710	704	640	655	653	675	661

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
PROPORTION WITH CURRENT PURCHASE INTENTIONS:	31%	29%	29%	28%	30%	29%	30%	28%	29%	28%	28%	31%	27%
PURCHASE TYPE:													
Buy new	15	16	15	15	14	15	15	13	17	15	14	17	14
Buy used	14	11	12	11	13	12	13	13	11	11	13	12	12
Lease	2	1	2	1	2	2	1	1	1	1	1	1	1
DK,NA	*	1	*	1	1	*	1	1	*	1	*	1	*
PURCHASE TIMING:													
Next 3 months	3	2	7	3	1	6	5	3	5	4	2	8	5
Next 4-6 months	9	8	6	5	8	6	7	6	8	9	8	9	7
Next 7-9 months	7	9	3	4	5	7	7	10	7	8	11	6	7
10 months or more	6	4	7	8	10	4	8	7	5	4	5	3	5
DK,NA	6	6	6	8	6	6	3	2	4	3	2	5	3

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985
PROPORTION WITH FUTURE PURCHASE INTENTIONS:	60%	61%	59%	64%	60%	60%	59%	63%	60%	62%	61%	56%	61%
PURCHASE TYPE:													
Would buy new	33	36	35	33	34	31	33	34	35	32	35	34	36
Would buy used	26	24	22	29	25	27	25	28	25	28	25	21	25
DK,NA	1	1	2	2	1	2	1	1	*	2	1	1	*
PURCHASE TIMING:													
Less than 2 years	5	7	5	8	5	7	7	7	8	9	6	5	7
2 years	22	21	18	25	21	21	20	23	18	19	21	21	21
3 years	9	8	10	8	11	10	9	10	9	10	10	11	13
4 years or more	18	17	18	15	17	16	17	15	19	17	19	14	16
Indefinite	2	2	3	3	2	1	2	3	2	2	2	1	1
DK,NA	4	6	5	5	4	5	4	5	4	5	3	4	3

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

CHART 1 - RECENT CHANGES

THE INDEX OF CONSUMER SENTIMENT

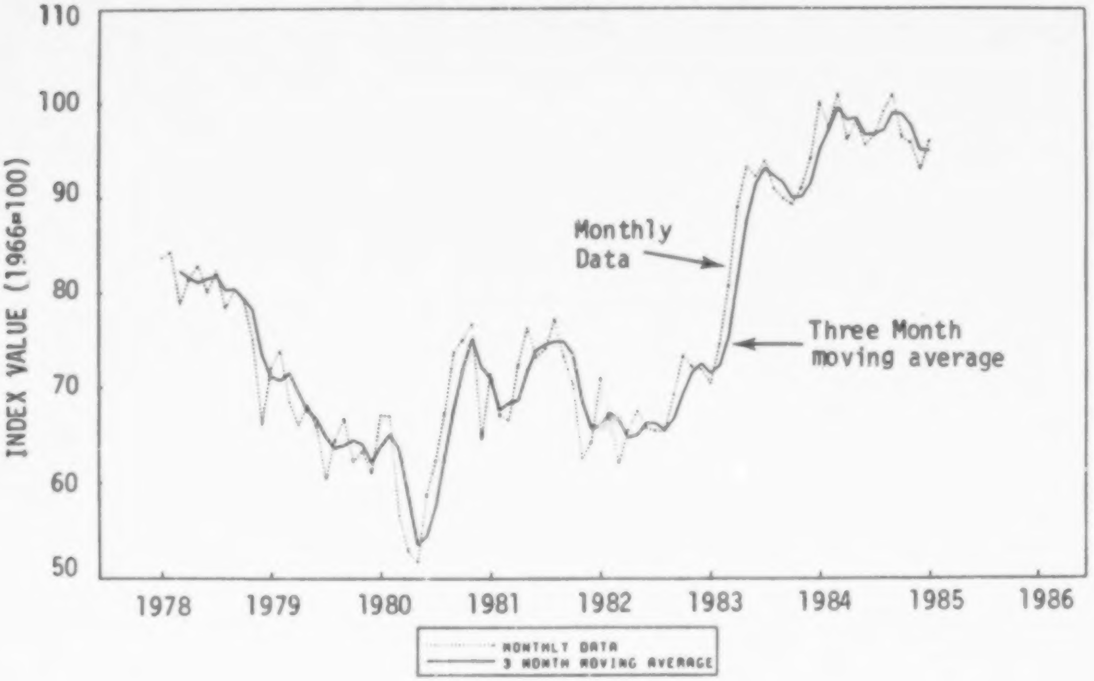
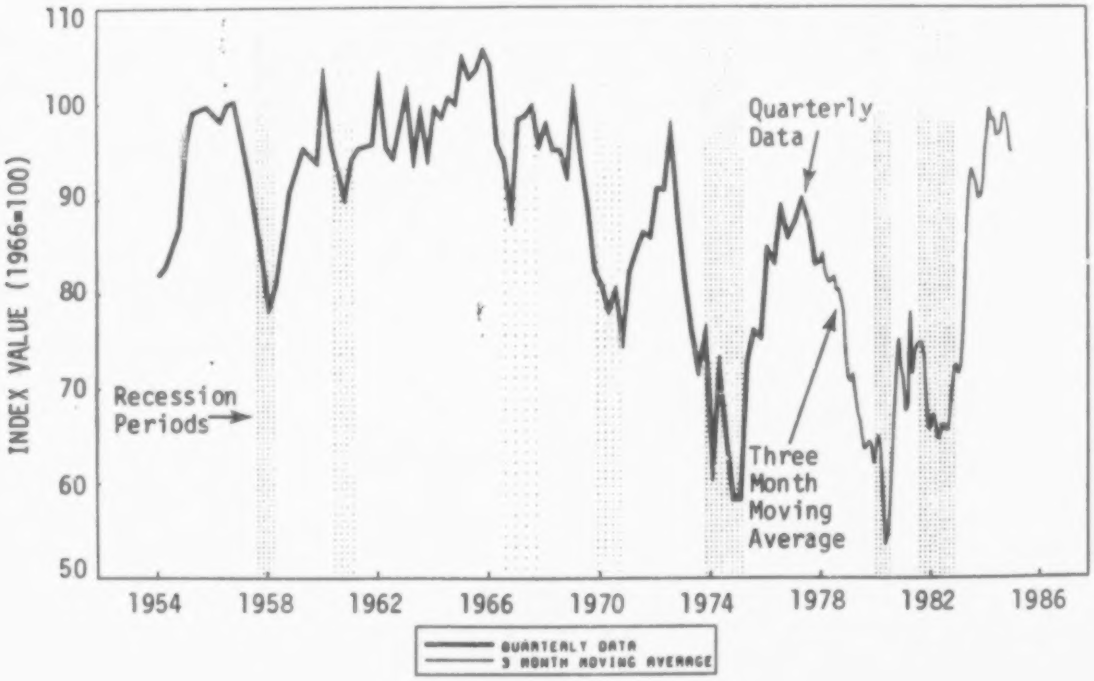


CHART 1 - HISTORICAL SERIES

THE INDEX OF CONSUMER SENTIMENT



DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES: November 1948 - October 1949
July 1953 - May 1954
August 1957 - April 1958
April 1960 - February 1961
June 1966 - November 1967*
December 1969 - November 1970
November 1973 - March 1975
January 1980 - July 1980
July 1981 - November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

Reported Percentages	Number of Interviews		
	700[b]	1,400[c]	2,100[d]
50	4.2	3.2	2.8
30 or 70	3.8	2.9	2.5
20 or 80	3.4	2.6	2.2
10 or 90	2.5	1.9	1.6
5 or 95	1.8	1.4	1.2

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

6/5/85

MAY 1985 MONTHLY REPORT

May 31, 1985

Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

OPTIMISM FADES
CONFIDENCE REMAINS HIGH

* In the May 1985 survey, the Index of Consumer Sentiment was 91.8, down from 94.6 one month earlier, and 98.1 one year earlier. Although the May figure was the lowest level recorded in more than a year, and nearly 10-Index points below the 1984 cyclical peak, it nonetheless remained above the peak level recorded in the late 1970s.

* Among families with incomes of $25,000 or more, the Index stood at 100.3 in the May 1985 survey, down from 107.9 one month earlier, and 107.1 one year earlier.

* Attitudes toward buying conditions remained at very favorable levels in the May 1985 survey, although they receded from the all-time records set one month earlier. The widespread availability of discounted prices and interest rates has been the primary reason for the maintenance of favorable buying attitudes.

* Among all families, 40 percent reported improvement in their own financial situation in the May 1985 survey, below the cyclical peak of 48 percent recorded nine months earlier. The recent small decline was reflected in fewer reports of income increases. And because somewhat smaller increases in nominal incomes were expected during the year ahead, prospects for future improvement in families' financial situations were also somewhat less favorable. Nonetheless, personal financial evaluations remained at very favorable levels in the May survey.

* The majority of families in the May 1985 survey expected the performance of the economy to remain similar to last year's, and the majority thought that this would mean the continuation of good times financially in the economy as a whole. Future job prospects have been the primary concern underlying this outlook for slow economic growth. In the May 1985 survey, twice as many respondents expected increases rather than declines in the unemployment rate (28 versus 19 percent), although the majority (54 percent) expected the unemployment rate to remain approximately the same in the upcoming year.

* * *

Despite the small overall decline, consumer sentiment remained at very favorable levels in the May 1985 survey. The widespread availability of discounted prices and interest rates has maintained very positive buying attitudes.

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Buying Conditions

Favorable attitudes toward buying conditions for large household durables were held by 72 percent of all families in the May 1985 survey, down from the all time peak of 77 percent, recorded both one month and one year earlier. The recent decline was due to a small increase in unfavorable perceptions of market prices for household durables--an increase not large enough to offset overall favorable price perceptions. In the May 1985 survey, 34 percent of all families mentioned the availability of discounted prices, down from 37 percent one month earlier, but above the year earlier figure of 31 percent. Complaints about high prices for household durables were made by 11 percent of all families in May 1985, just above the 8 percent recorded one year earlier.

Favorable attitudes toward buying conditions for homes were held by 61 percent of all families in the May 1985 survey, down from 64 percent one month earlier, but above the 58 percent recorded one year earlier. The availability of good buys on homes was mentioned by 17 percent of all families in the May 1985 survey, unchanged from one month earlier, and above the 12 percent recorded in May 1984. Complaints about high housing prices were made by 14 percent of all families in the May survey, just above the year earlier figure of 12 percent. Compared with a year earlier, approximately the same number of respondents in the May 1985 survey made favorable references to mortgage interest rates (see Table A). However, more families mentioned the current availability of low mortgage rates in May 1985 (35, up from 24 percent), while fewer respondents mentioned the advantage of borrowing-in-advance of expected increases in mortgage rates (8, down from 20 percent).

Attitudes toward current buying conditions for vehicles remained at very favorable levels in the May survey. Among all families, 65 percent held favorable views of car buying conditions in May, just below the all-time peak of 68 percent recorded one month earlier. Compared with one month earlier, fewer families mentioned the availability of discounted vehicle prices (from 28 to 24 percent), while more families mentioned the availability of discounted interest rates on vehicle loans (from 25 to 28 percent). Compared with a year earlier, more families reported both discounted prices (from 20 to 24 percent) and discounted interest rates (from 18 to 28 percent).

Personal Finances

Consumers' evaluations of their current financial situation remained at very favorable levels in the May 1985 survey, despite some weakening since mid 1984. Among all families in the May 1985 survey, 40 percent reported that their financial situation had improved, just below the 41 percent recorded in April, and the 44 percent recorded in May 1984. Importantly, the proportion of all families that reported a worsened financial situation in May (24 percent) remained low and largely unchanged from what it had been throughout the previous year. In comparison to the May figure, a higher proportion of families reported unfavorable changes in their financial situation in each of the surveys conducted from 1973 to 1983.

Nearly half (49 percent) of all families in the May 1985 survey expected their financial situation to remain approximately the same on balance during the year ahead. Among the other half of families, improvement rather than financial reversal was expected by more than a two-to-one margin (34 versus 14 percent). The 34 percent of families that expected financial improvements represents a drop from the year earlier figure of 40 percent. This small decline in financial prospects was based on the expectation of slower growth in nominal incomes. Among all families in the May 1985 survey, 57 percent expected income increases during the year ahead, down from 62 percent one year earlier. Not only did fewer families expect increases, but among those that expected increases, the size of the expected income increase declined. In the May 1985 survey, the proportion of families that expected income increases of 6% or more fell to 28 percent from 36 percent one year earlier, while the proportion that expected increases of 1-5% rose to 25 from 20 percent.

Business Conditions

The majority of consumers in the May 1985 survey thought that the economy had improved during the last year, and the majority expected economic conditions during the year ahead to remain similar to now. Among all families, 53 percent thought that the overall economy had improved during the past year, just above the 51 percent in April, but well below the 70 percent recorded one year earlier. When consumers were asked about recent economic developments, changes in job prospects dominated trends during the past year. In May of 1985, more families reported hearing of increases of unemployment than of declines (21 versus 12 percent), the opposite of one year earlier (15 versus 18 percent).

The outlook for the year ahead is continued slow growth. In the May 1985 survey, 54 percent expected the overall performance of the economy to remain largely unchanged during the year ahead. Overall improvements in business conditions were expected more frequently than declines (27 versus 17 percent).

Despite the slowdown in economic growth, 55 percent of all consumers expected the overall economy to be characterized by good times financially during the next twelve months, down from 58 percent one month earlier, and 60 percent one year earlier. Favorable business conditions in the economy as a whole were expected over the next five years by 40 percent of all families in the May 1985 survey, between the 39 percent recorded one month earlier and the 43 percent recorded one year earlier.

* * *

The May 1985 survey included 661 completed interviews, conducted between May 1 and May 24, 1985.

TABLE A

REFERENCES TO INTEREST RATES IN SUPPORT OF FAVORABLE BUYING CONDITIONS

Survey Date	Durables		Houses[a]		Vehicles	
	Low Rates	BiA Rates	Low Rates	BiA Rates	Low Rates	BiA Rates
January 1980	1%	2%	na	na	1%	1%
February 1980	1	2	2%	7%	1	2
March 1980	1	4	na	na	1	2
April 1980	*	3	*	3	3	1
May 1980	*	2	3	3	*	1
June 1980	2	1	14	2	2	1
July 1980	4	1	17	6	2	1
August 1980	3	2	19	9	3	1
September 1980	1	2	11	11	2	2
October 1980	1	3	6	10	1	2
November 1980	*	2	2	8	1	2
December 1980	1	2	1	5	2	2
January 1981	*	2	1	3	4	1
February 1981	1	2	2	5	2	1
March 1981	1	*	1	4	1	1
April 1981	*	2	3	6	2	1
May 1981	1	2	4	3	3	1
June 1981	*	1	1	4	2	1
July 1981	1	1	2	4	2	1
August 1981	2	1	3	5	4	1
September 1981	*	1	3	3	4	2
October 1981	*	1	1	3	4	*
November 1981	1	1	2	2	5	*
December 1981	1	1	4	2	4	1
January 1982	2	1	5	3	4	2
February 1982	1	1	4	3	3	*
March 1982	*	1	3	2	3	*
April 1982	1	*	4	2	7	*
May 1982	2	1	3	3	10	1
June 1982	1	1	5	2	6	1
July 1982	1	1	2	2	4	1
August 1982	1	1	3	4	5	1
September 1982	3	1	16	4	9	1
October 1982	4	1	19	4	10	1
November 1982	5	*	25	5	19	1
December 1982	6	2	30	5	26	1

Survey Date	Durables		Houses[a]		Vehicles	
	Low Rates	BiA Rates	Low Rates	BiA Rates	Low Rates	BiA Rates
January 1983	7	*	33	4	27	2
February 1983	7%	1%	35%	5%	34%	1%
March 1983	7	1	38	6	33	1
April 1983	12	2	46	8	38	2
May 1983	12	1	49	6	38	2
June 1983	13	3	49	12	38	2
July 1983	14	2	40	9	34	3
August 1983	11	1	33	11	30	3
September 1983	9	3	35	12	25	3
October 1983	6	1	29	9	17	2
November 1983	6	2	29	11	20	2
December 1983	6	1	30	11	16	3
January 1984	8	1	33	8	20	3
February 1984	9	2	38	12	19	3
March 1984	8	2	36	13	19	3
April 1984	8	6	29	23	15	7
May 1984	7	4	24	20	14	4
June 1984	7	4	21	17	12	6
July 1984	5	5	21	16	16	8
August 1984	6	2	22	13	12	5
September 1984	6	2	22	12	11	4
October 1984	7	4	24	11	10	4
November 1984	8	3	33	11	15	3
December 1984	8	2	32	6	12	3
January 1985	10	1	42	7	21	2
February 1985	9	2	42	8	23	1
March 1985	8	2	38	10	21	2
April 1985	10	3	34	13	22	3
May 1985	9	2	35	8	25	3

---

*Less than 0.5 percent.

[a] Also includes homes, home repairs and real estate.

NOTE: The proportions given above provide greater detail than is reported in the monthly tables (see Tables 27, 29 and 31). The monthly tables report the total proportion of respondents that made favorable references to credit conditions. The figures above divide this total into those respondents that referred to the current availability of low interest rates, and those that referred to buying-in-advance of rising interest rates.

7/9/85

U7475-2A

SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

TABLES AND CHARTS

JUNE 1985

The June 1985 survey is the 201st in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

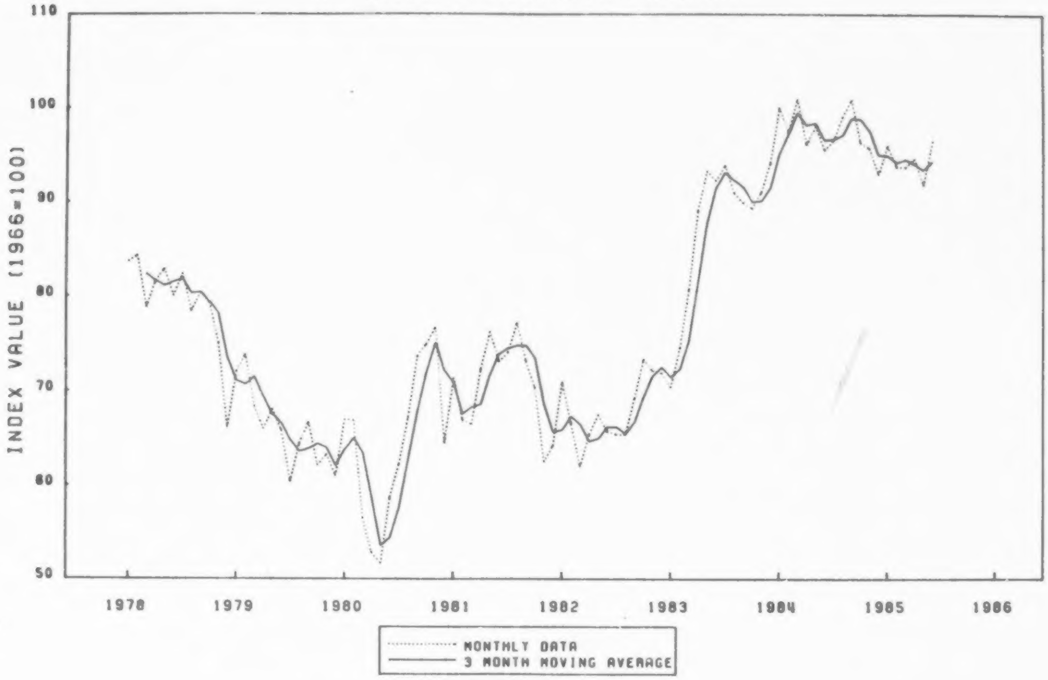

CHART 1 - HISTORICAL SERIES
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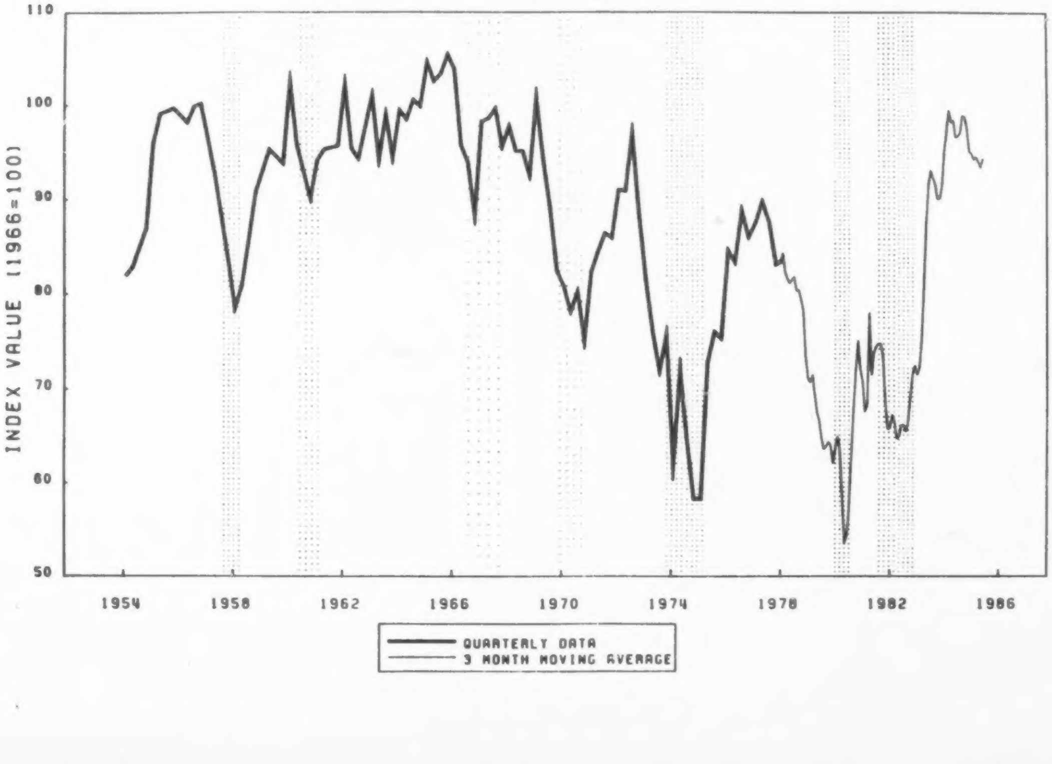


TABLE 1

THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY		All families	Families with incomes over $20,000	Families with incomes over $25,000
June	1982	65.7	71.4	72.9
July	1982	65.4	68.9	69.2
August	1982	65.4	71.0	73.6
September	1982	69.3	78.4	81.1
October	1982	73.4	77.5	80.9
November	1982	72.1	79.3	81.1
December	1982	71.9	78.0	80.5
January	1983	70.4	78.2	78.8
February	1983	74.6	79.9	81.3
March	1983	80.8	88.4	88.9
April	1983	89.1	97.1	99.0
May	1983	93.3	99.6	101.0
June	1983	92.2	101.2	102.5
July	1983	93.9	104.4	106.5
August	1983	90.9	101.2	103.5
September	1983	89.9	99.0	102.3
October	1983	89.3	99.5	101.9
November	1983	91.1	97.2	98.8
December	1983	94.2	101.7	104.5
January	1984	100.1	112.0	114.2
February	1984	97.4	109.6	111.2
March	1984	101.0	110.9	114.2
April	1984	96.1	103.9	105.5
May	1984	98.1	105.6	107.1
June	1984	95.5	104.4	104.5
July	1984	96.6	103.2	102.8
August	1984	99.1	106.7	109.2
September	1984	100.9	109.7	111.7
October	1984	96.3	106.2	107.7
November	1984	95.7	108.6	111.0
December	1984	92.9	99.2	100.1
January	1985	96.0	104.1	106.7
February	1985	93.7	105.4	107.4
March	1985	93.7	106.5	108.8
April	1985	94.6	102.8	107.9
May	1985	91.8	99.5	100.3
June	1985	96.5	101.2	104.3

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

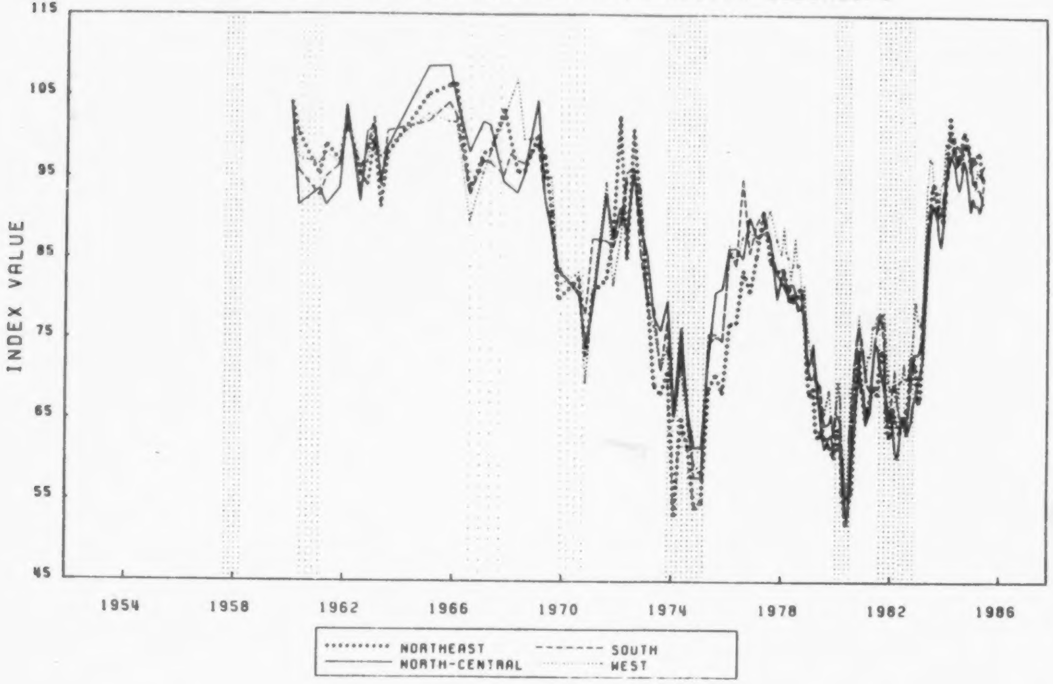


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

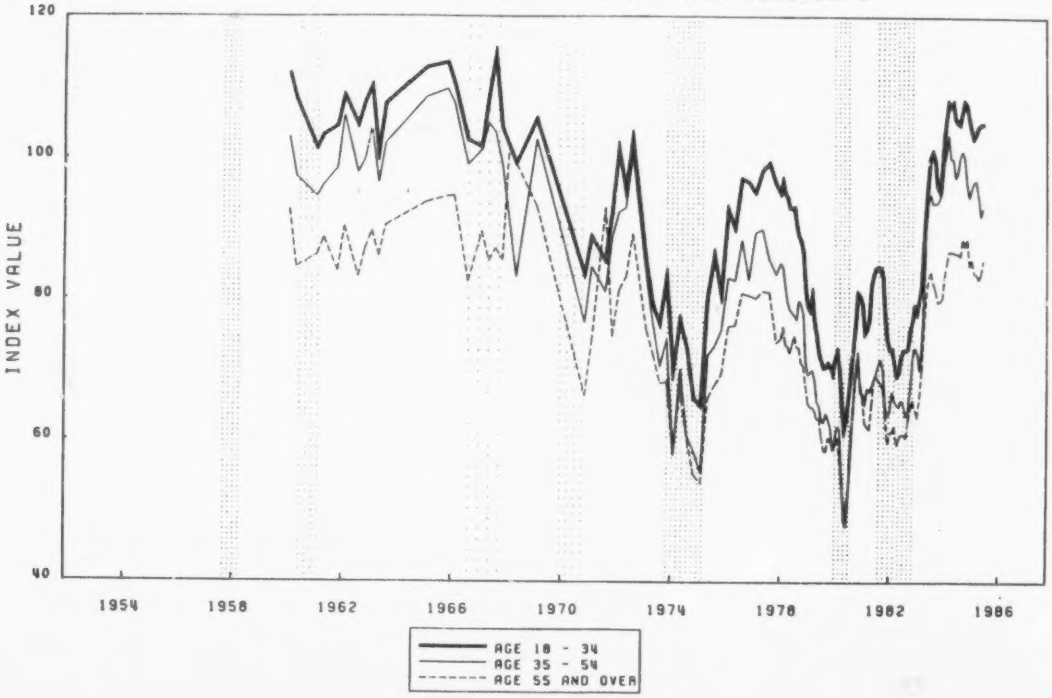


TABLE 2

INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

		CENSUS REGION				AGE OF RESPONDENT		
DATE OF SURVEY		North East	North Central	South	West	18-34	35-54	55+
June	1982	65.4	65.0	64.9	68.6	72.4	64.4	60.3
July	1982	65.1	64.0	63.5	71.1	73.4	63.3	60.6
August	1982	68.1	60.6	64.0	70.6	72.6	62.9	60.2
September	1982	70.3	67.2	71.1	68.8	73.0	66.7	68.0
October	1982	77.8	66.2	74.1	79.3	81.2	72.1	65.5
November	1982	70.6	67.9	73.2	79.3	76.6	75.7	63.8
December	1982	66.1	70.0	72.5	80.4	78.9	71.7	64.2
January	1983	64.9	70.5	73.6	72.8	78.8	70.0	62.0
February	1983	72.1	72.3	75.8	77.2	82.1	68.3	72.4
March	1983	82.9	73.7	82.7	84.4	84.9	81.5	75.5
April	1983	89.1	88.0	87.2	95.6	95.8	90.5	80.5
May	1983	88.3	90.7	93.3	102.7	97.2	97.1	84.9
June	1983	95.1	88.7	92.5	94.1	97.8	94.4	83.9
July	1983	98.3	93.8	89.9	94.3	106.0	93.6	83.0
August	1983	89.6	92.0	91.3	89.6	99.2	92.9	80.0
September	1983	92.6	87.8	89.3	90.8	94.8	94.5	80.9
October	1983	89.9	83.7	91.5	93.5	94.2	93.8	77.8
November	1983	87.7	88.3	91.5	98.5	97.2	94.6	80.7
December	1983	91.4	96.2	95.2	92.2	102.3	97.5	81.8
January	1984	100.7	96.8	97.5	107.5	107.9	106.0	87.4
February	1984	102.3	98.4	93.5	97.1	106.2	98.9	86.5
March	1984	104.8	98.5	102.1	97.5	109.9	105.2	86.6
April	1984	92.5	95.3	98.2	99.3	106.5	95.9	87.0
May	1984	98.8	96.3	96.5	103.9	107.5	98.8	86.6
June	1984	100.1	92.1	95.0	93.7	103.0	97.1	85.9
July	1984	94.3	92.5	100.5	99.3	104.9	98.2	87.1
August	1984	103.1	100.2	97.5	95.4	106.8	105.3	85.2
September	1984	105.0	99.3	99.7	99.9	108.5	99.9	93.3
October	1984	92.5	89.4	100.9	101.7	108.9	95.5	84.2
November	1984	100.3	93.3	95.6	94.1	105.5	94.0	88.1
December	1984	94.8	90.3	93.4	94.0	102.9	94.1	82.2
January	1985	98.2	94.5	94.6	97.8	104.2	99.0	86.6
February	1985	97.9	90.4	96.6	89.7	102.0	97.0	82.3
March	1985	98.3	90.6	89.8	101.1	104.7	94.7	82.0
April	1985	98.1	91.7	94.8	95.3	106.9	92.9	84.3
May	1985	88.7	94.0	91.9	91.3	103.2	87.9	84.6
June	1985	97.7	90.4	99.0	103.6	105.0	97.8	87.9

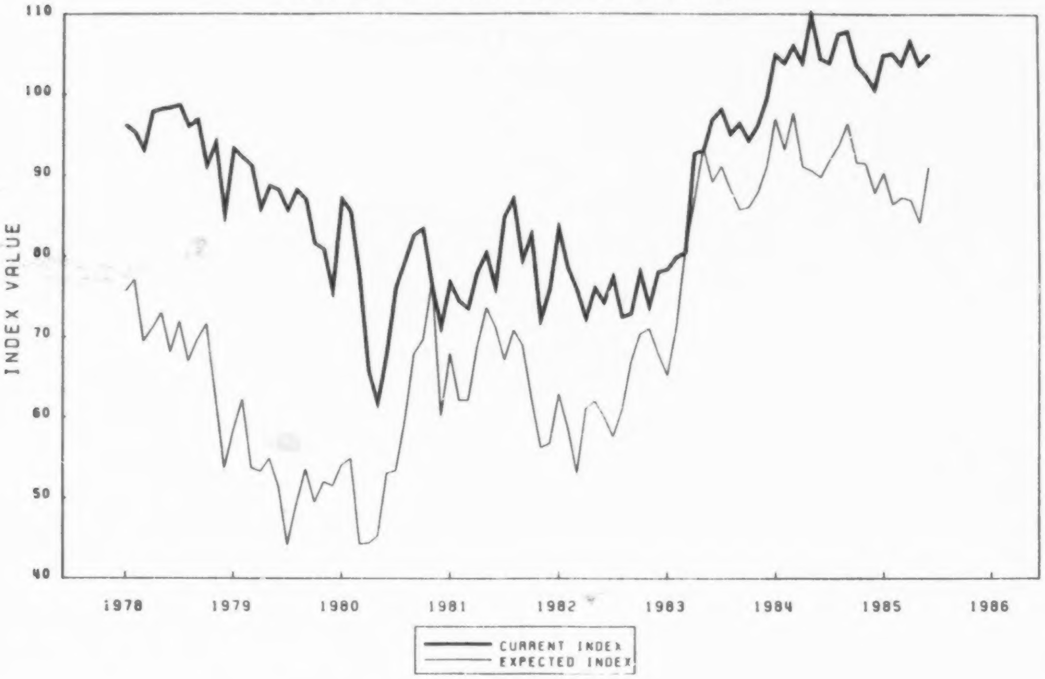


CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

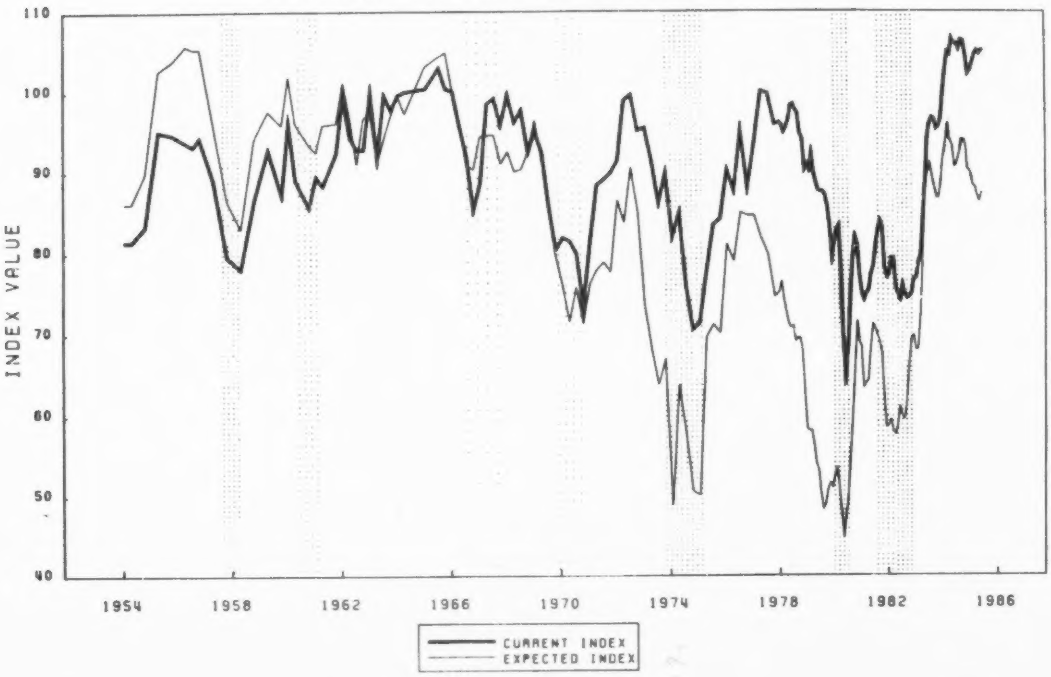


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS

TABLE 3

COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

		INDEX COMPONENTS +						
		Personal finances		Business conditions				
		Current	Expected	12 months	5 years	Buying conds.	Current Index	Expected Index
DATE OF SURVEY		(1)	(2)	(3)	(4)	(5)	(1,5)	(2,3.4)
June	1982	92	116	58	65	99	74.3	60.1
July	1982	90	113	53	63	110	77.5	57.6
August	1982	89	110	64	69	97	72.5	60.9
September	1982	89	116	76	74	98	72.9	66.9
October	1982	95	119	79	83	106	78.1	70.4
November	1982	85	121	77	86	105	73.8	71.0
December	1982	90	117	74	80	111	78.1	67.9
January	1983	91	115	76	69	111	78.4	65.2
February	1983	89	117	87	81	117	79.9	71.2
March	1983	92	126	113	85	115	80.5	80.9
April	1983	108	131	120	99	131	92.7	86.9
May	1983	101	137	139	100	139	93.1	93.4
June	1983	110	128	134	97	141	96.9	89.2
July	1983	111	126	136	104	143	98.1	91.1
August	1983	106	124	130	100	140	95.1	88.2
September	1983	109	125	125	95	140	96.4	85.8
October	1983	104	124	124	98	140	94.3	86.1
November	1983	111	127	129	98	138	96.1	87.9
December	1983	123	125	140	102	134	99.3	91.0
January	1984	117	129	154	108	155	104.9	97.0
February	1984	119	130	139	106	151	103.9	93.2
March	1984	122	135	146	113	153	106.0	97.7
April	1984	117	124	136	106	153	103.9	91.1
May	1984	121	129	131	105	164	109.8	90.6
June	1984	126	124	131	106	145	104.4	89.8
July	1984	117	124	133	113	152	103.9	91.9
August	1984	125	129	137	111	153	107.5	93.7
September	1984	125	131	142	116	154	107.8	96.4
October	1984	118	127	134	107	150	103.6	91.6
November	1984	121	129	132	107	144	102.4	91.5
December	1984	118	125	131	98	143	100.6	87.9
January	1985	119	124	135	104	153	104.9	90.3
February	1985	115	120	131	96	158	105.1	86.5
March	1985	112	123	133	96	156	103.7	87.3
April	1985	116	127	128	95	161	106.6	87.0
May	1985	116	120	121	97	152	103.7	84.2
June	1985	115	127	133	106	157	104.9	91.1

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

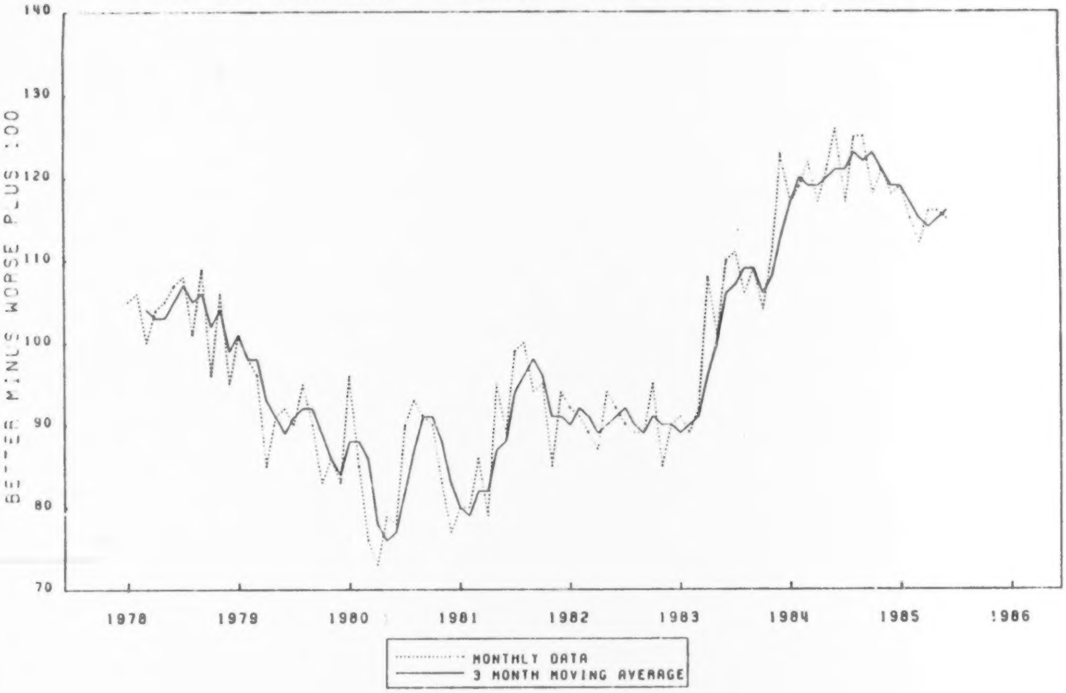


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

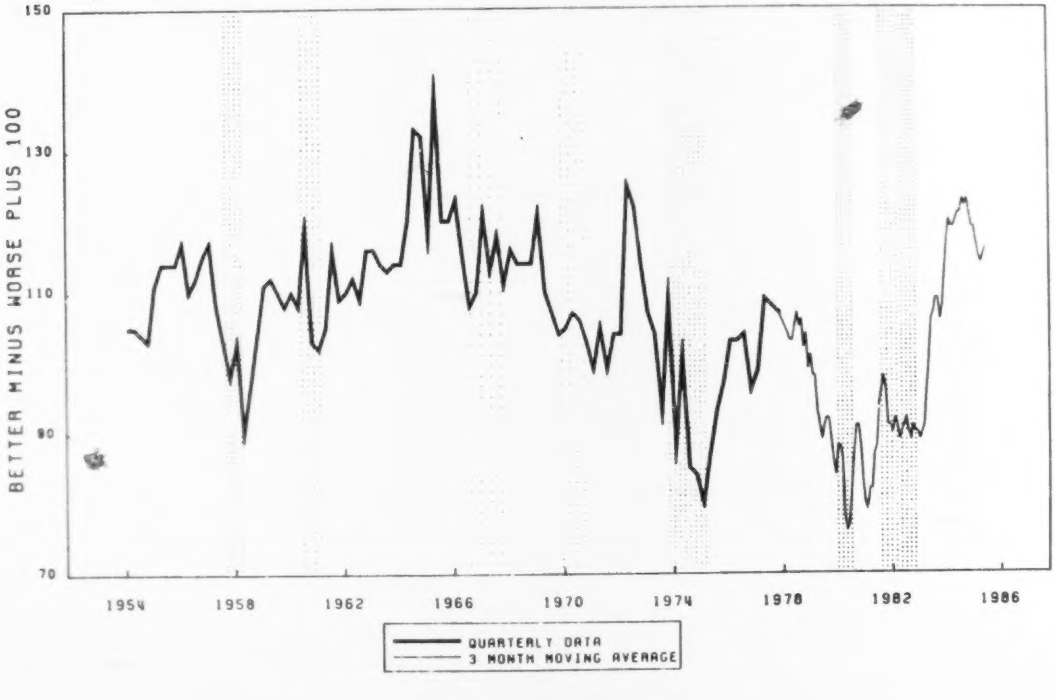


TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
BETTER OFF	47%	42%	48%	45%	44%	46%	44%	42%	42%	40%	41%	40%	43%
SAME	31	33	29	35	30	29	30	35	31	32	34	36	29
WORSE OFF	21	25	23	20	26	25	26	23	27	28	25	24	28
DK,NA	1	*	*	*	*	*	*	*	*	*	*	*	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

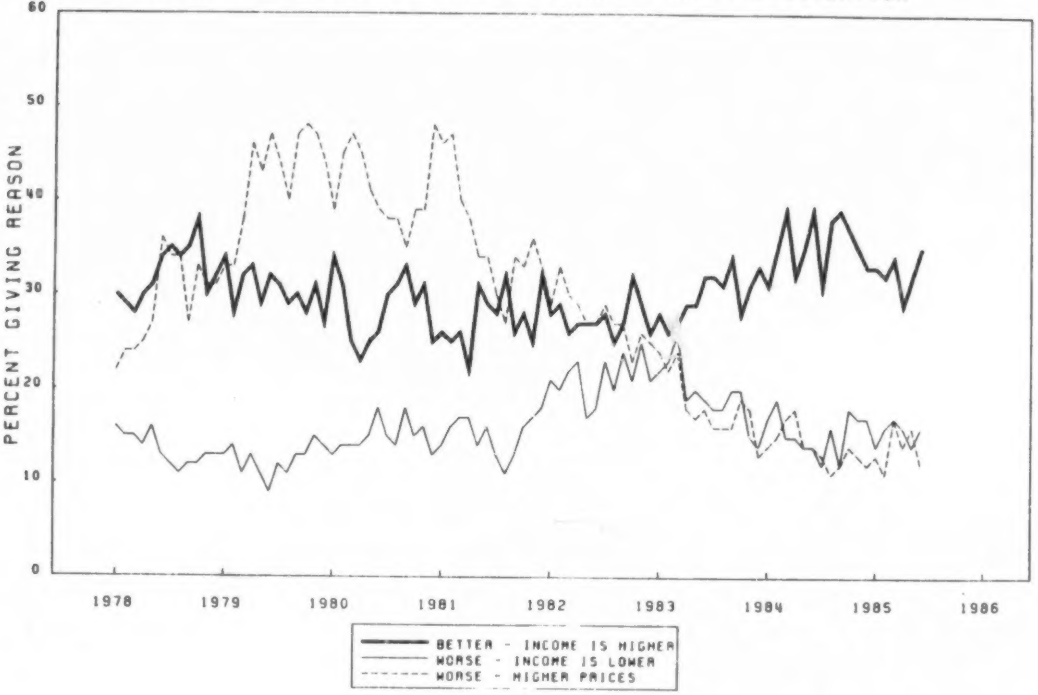


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

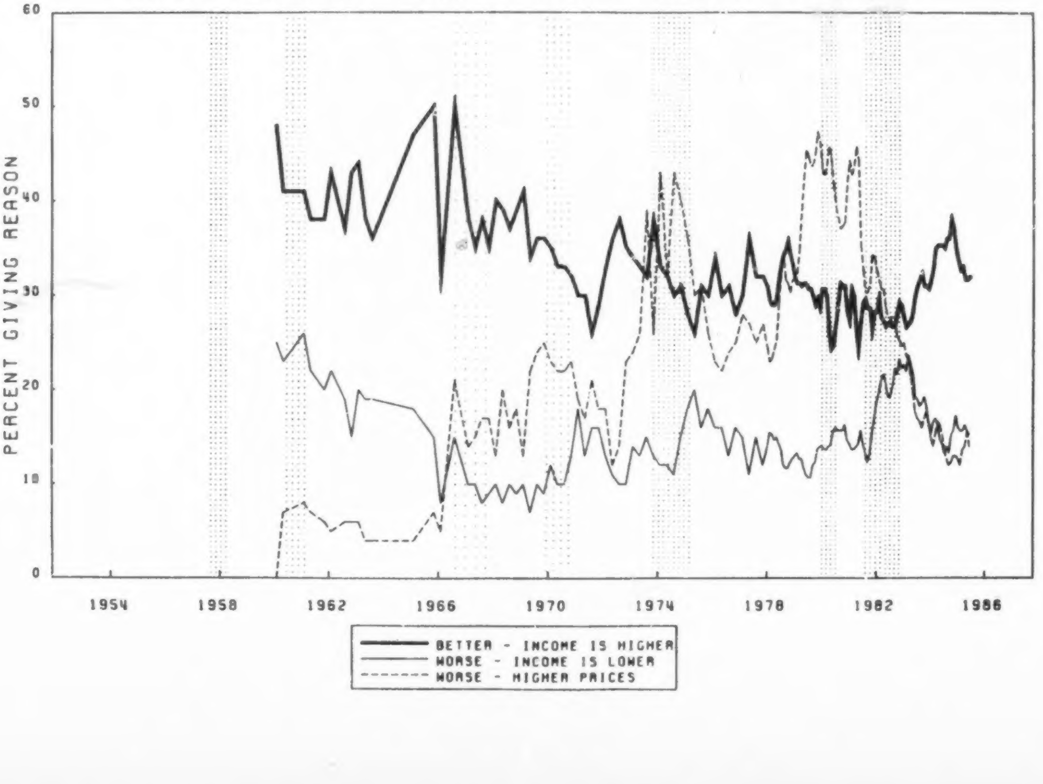


TABLE 5

SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
BETTER OFF THAN YEAR AGO:													
Income is higher	39%	31%	38%	39%	37%	35%	33%	33%	32%	34%	29%	32%	35%
WORSE OFF THAN YEAR AGO:													
Income is lower	14	12	16	12	18	17	17	14	16	17	16	14	16
Higher prices	14	13	11	12	14	13	12	13	11	17	14	16	12

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES

EXPECTED CHANGE IN FINANCIAL SITUATION

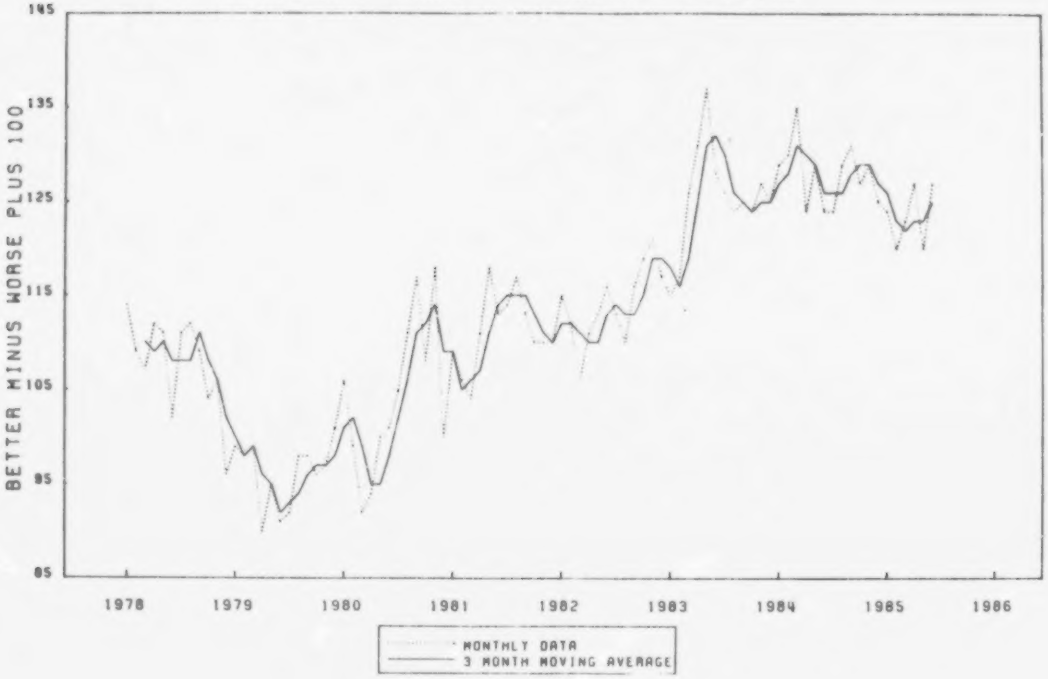


CHART 6 - HISTORICAL SERIES

EXPECTED CHANGE IN FINANCIAL SITUATION

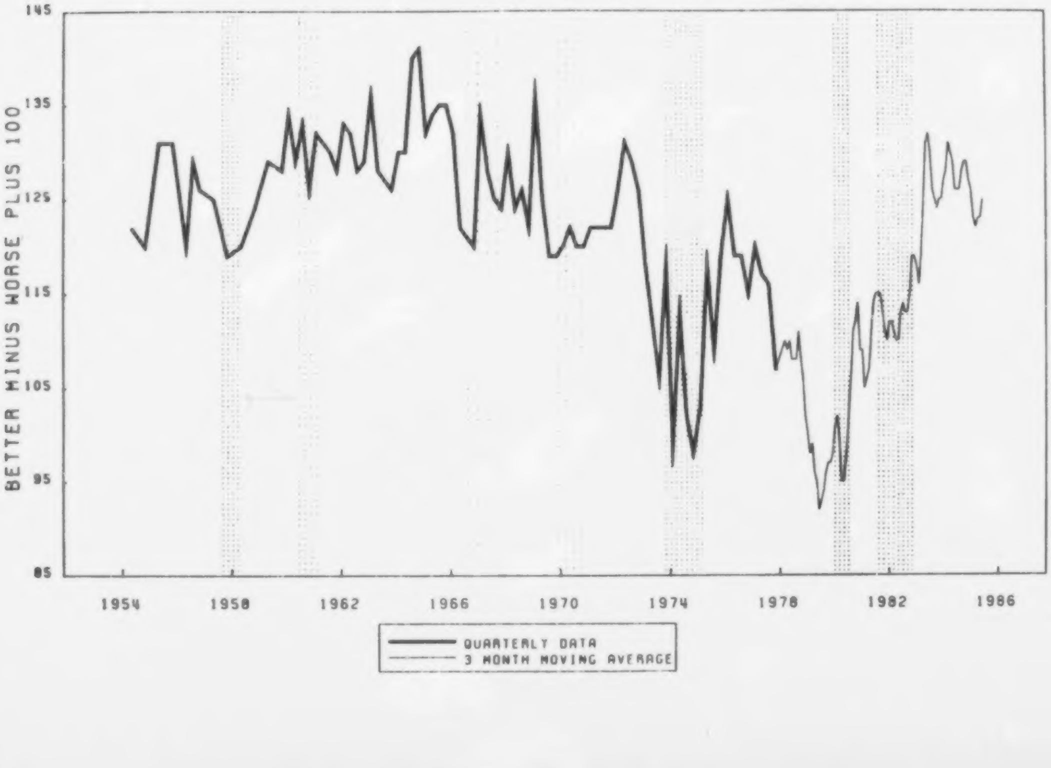


TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
BETTER OFF	35%	34%	38%	39%	38%	39%	36%	35%	33%	36%	37%	34%	36%
SAME	52	51	49	49	47	48	50	52	50	49	49	49	52
WORSE OFF	11	10	9	8	11	10	11	11	13	13	10	14	9
DK,NA	2	5	4	4	4	3	3	2	4	2	4	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

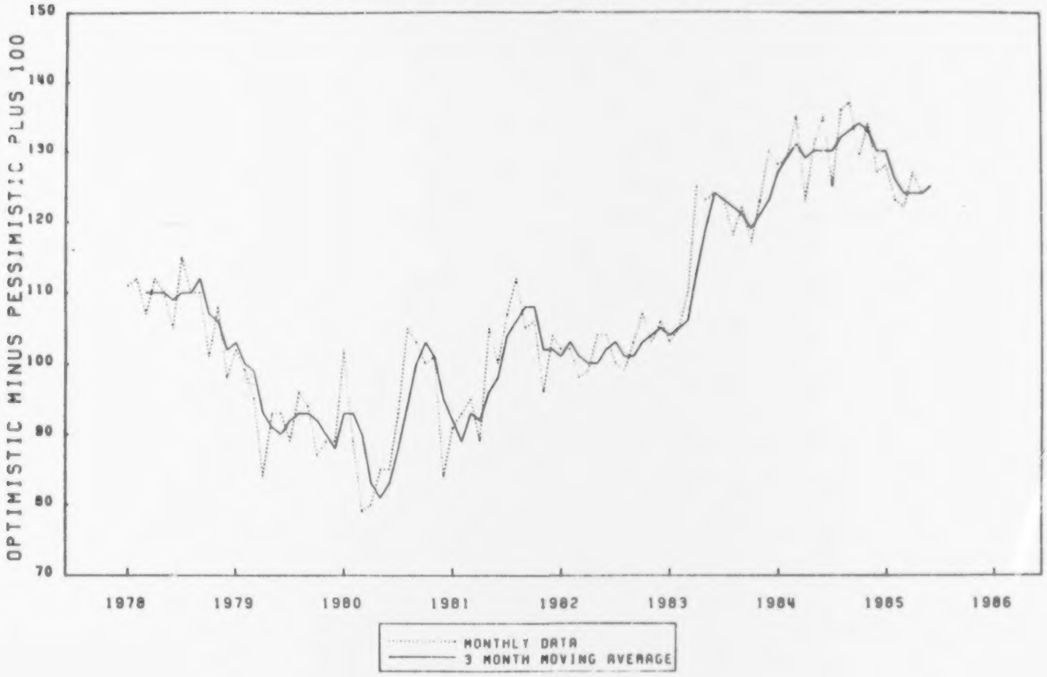


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION

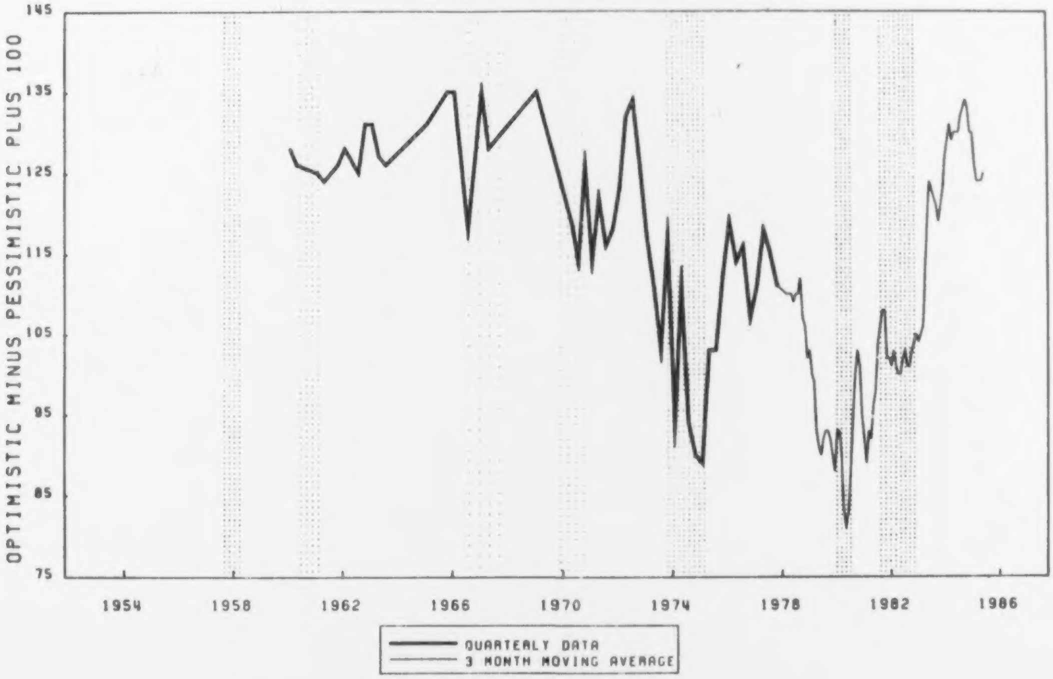


TABLE 7

TREND IN PERSONAL FINANCIAL SITUATION

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
PERSONAL FINANCIAL PROGRESS:													
Continuous increase (a)	20%	22%	24%	25%	21%	21%	23%	19%	20%	20%	22%	20%	22%
Intermittent increase (b)	32	24	30	28	28	32	25	28	24	26	26	26	25
Remain unchanged (c)	19	21	17	20	17	15	19	22	20	18	20	21	19
Intermittent decline (d)	12	16	13	12	15	14	15	15	15	18	16	16	17
Continuous decline (e)	5	5	5	4	5	5	6	4	6	6	5	6	5
Mixed change (f)	10	7	8	7	10	10	9	9	12	10	8	8	9
DK,NA	2	5	3	4	4	3	3	3	3	2	3	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME

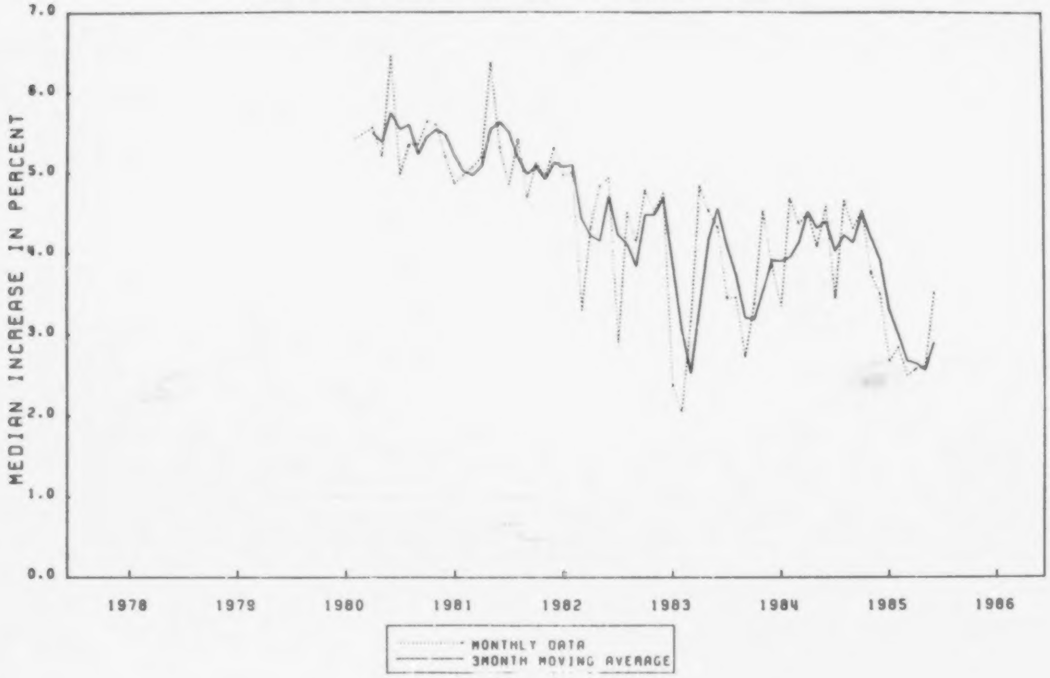


CHART 8 - HISTORICAL SERIES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME

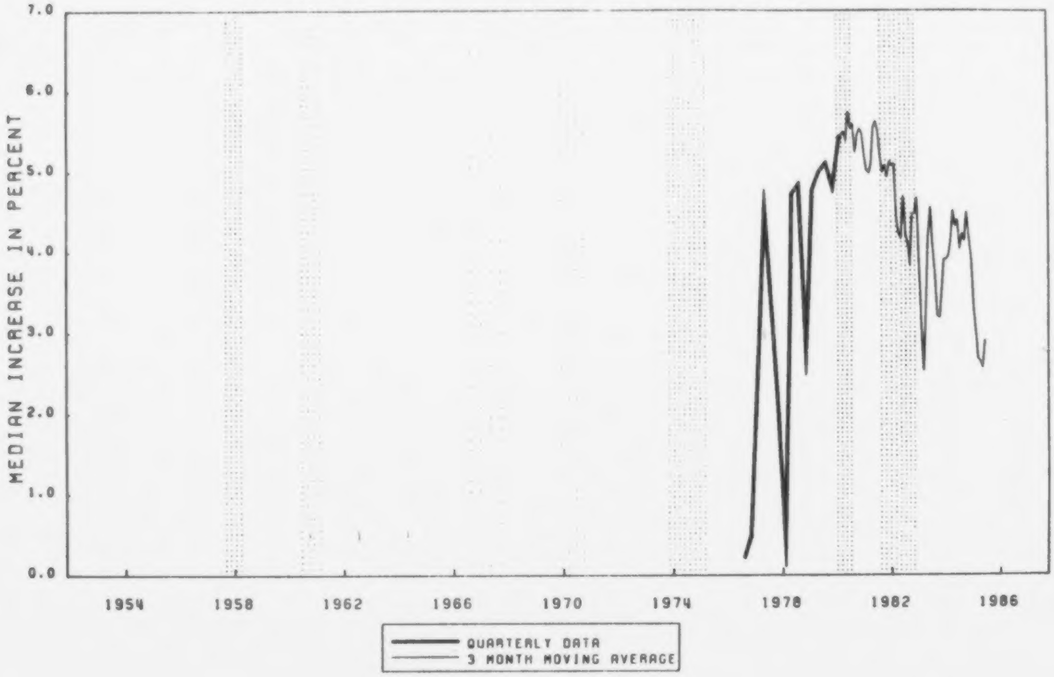


TABLE 8

EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
EXPECT INCREASE:													
1-4%	12%	17%	13%	15%	10%	13%	12%	12%	14%	12%	11%	16%	11%
5%	11	12	11	10	10	9	10	9	11	11	9	9	11
6-9%	12	8	11	10	8	7	8	9	6	7	7	5	7
10-24%	17	17	18	18	20	19	17	17	16	13	17	16	16
25% or more	7	6	7	7	8	8	7	6	7	8	8	7	10
DK how much up	3	4	3	4	5	6	7	3	3	4	3	4	4
EXPECT SAME	24	23	24	23	25	23	23	27	26	29	30	28	26
EXPECT DOWN	11	11	11	11	12	13	15	16	16	15	14	13	14
DK,NA	3	2	2	2	2	2	1	1	1	1	1	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES
INCOME OR PRICES UP MORE DURING THE LAST YEAR

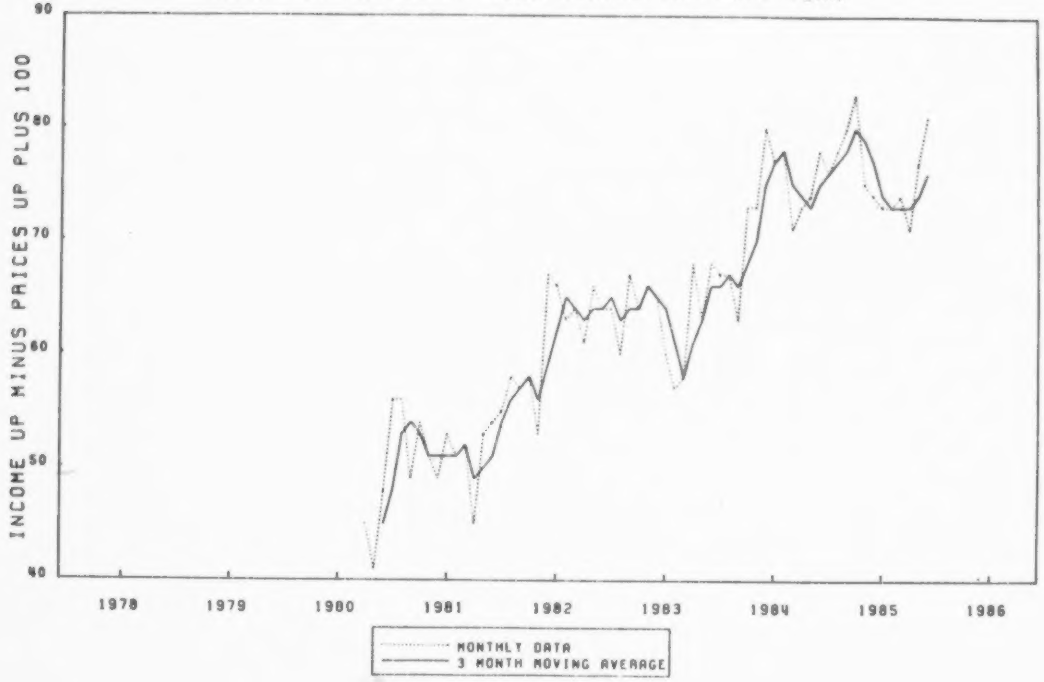


CHART 9 - HISTORICAL SERIES
INCOME OR PRICES UP MORE DURING THE LAST YEAR

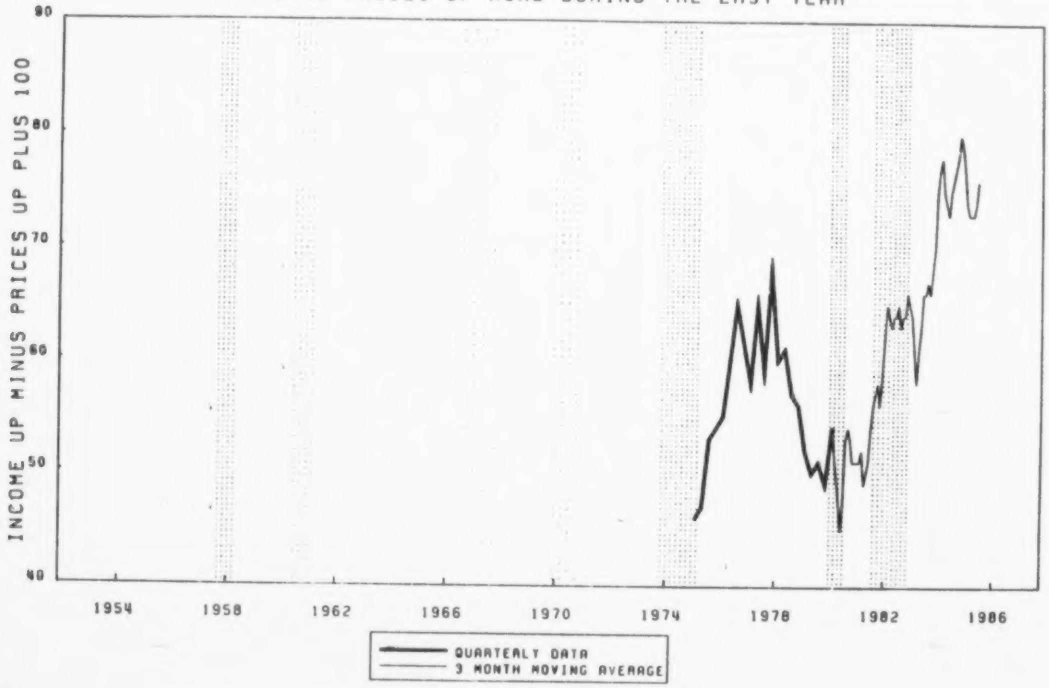


TABLE 9

PAST CHANGE IN REAL FAMILY INCOME

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
INCOME UP MORE	21%	21%	21%	22%	25%	21%	19%	16%	19%	19%	18%	22%	22%
INCOME UP SAME	34	33	34	36	31	31	35	40	34	35	34	32	35
PRICES UP MORE	43	45	43	42	42	46	45	43	46	45	47	45	41
DK,NA	2	1	2	*	2	2	1	1	1	1	1	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

* : Less than half of one percent.

CHART 10 - RECENT CHANGES
INCOME OR PRICES UP MORE NEXT YEAR

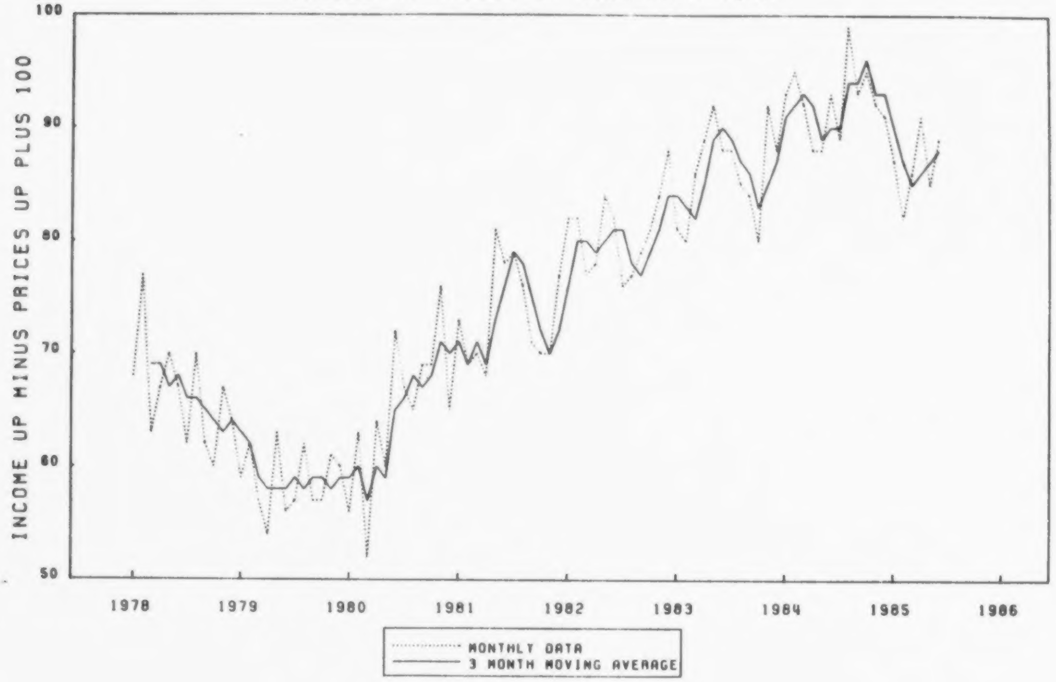


CHART 10 - HISTORICAL SERIES
INCOME OR PRICES UP MORE NEXT YEAR

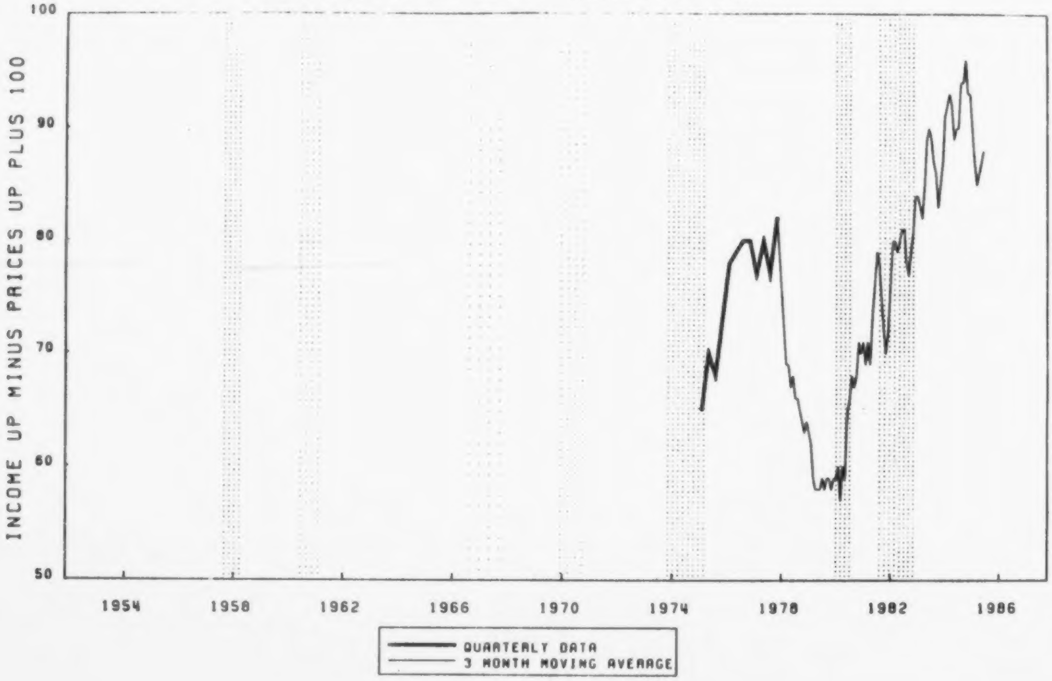


TABLE 10

EXPECTED CHANGE IN REAL FAMILY INCOME

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
INCOME UP MORE	22%	22%	25%	23%	25%	23%	21%	20%	20%	18%	23%	22%	19%
INCOME UP SAME	47	41	45	44	43	44	46	45	40	49	42	39	48
PRICES UP MORE	29	33	26	30	30	31	30	33	38	32	32	37	30
DK,NA	2	4	4	3	2	2	3	2	2	1	3	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON

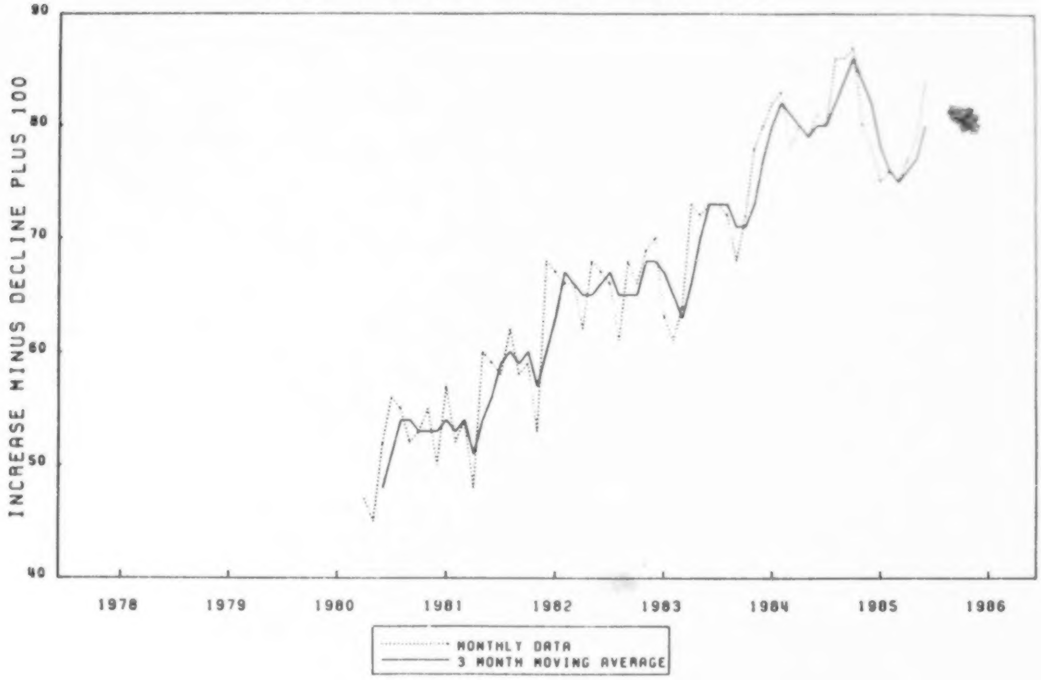


CHART 11 - HISTORICAL SERIES
TREND IN INCOME AND PRICE COMPARISON

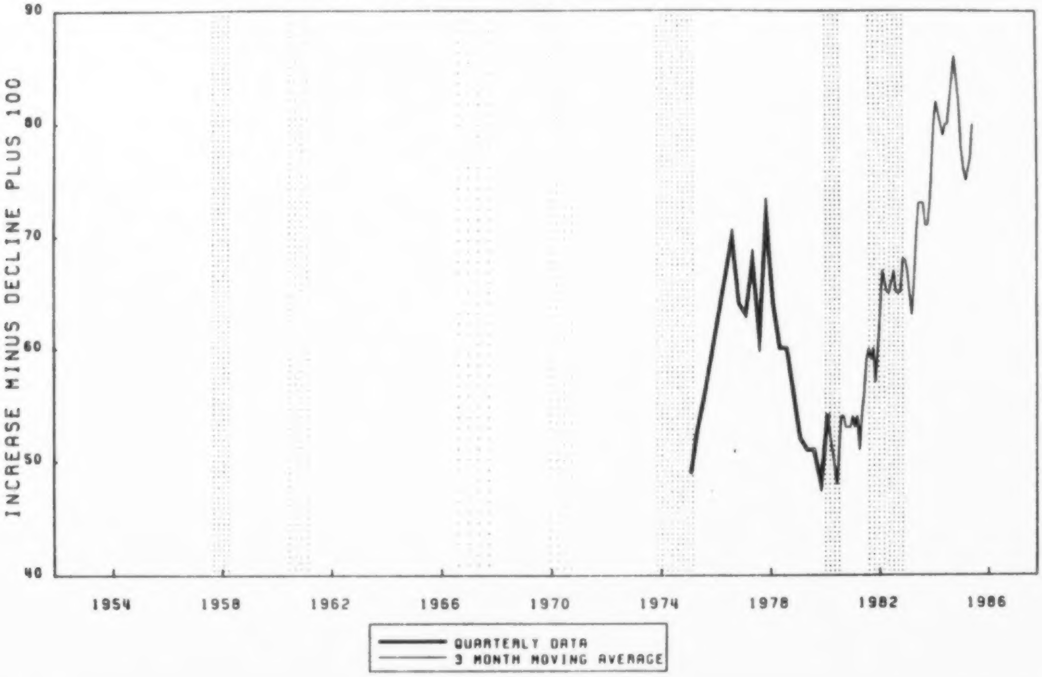


TABLE 11

TREND IN FAMILY INCOME AND PRICES COMPARISONS

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
REAL INCOME PROGRESS:													
Continuous increase (a)	11%	10%	12%	12%	14%	12%	10%	8%	10%	9%	11%	12%	9%
Intermittent increase (b)	13	14	15	16	14	14	12	13	14	14	11	13	17
Remain unchanged (c)	22	20	21	22	20	19	23	24	20	23	22	20	22
Intermittent decline (d)	23	20	22	20	18	22	22	23	19	24	20	18	20
Continuous decline (e)	20	24	19	22	23	24	22	23	29	24	25	28	22
Mixed change (f)	8	8	6	5	7	6	8	6	6	4	7	7	6
DK,NA	3	4	5	3	4	3	3	3	2	2	4	2	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART12 - RECENT CHANGES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

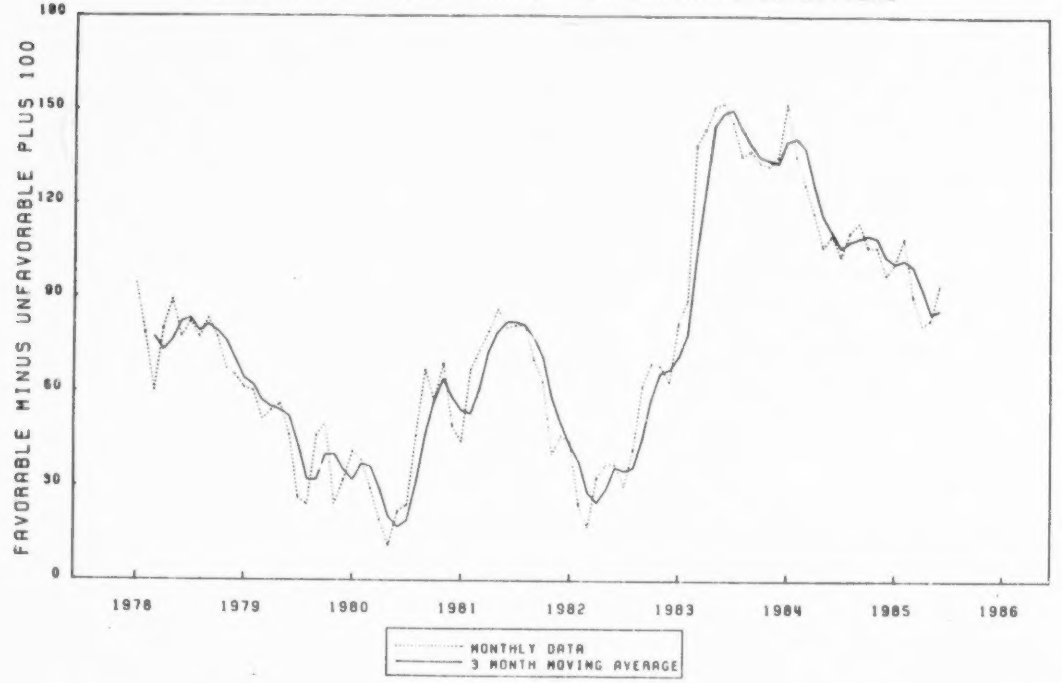


CHART12 - HISTORICAL SERIES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

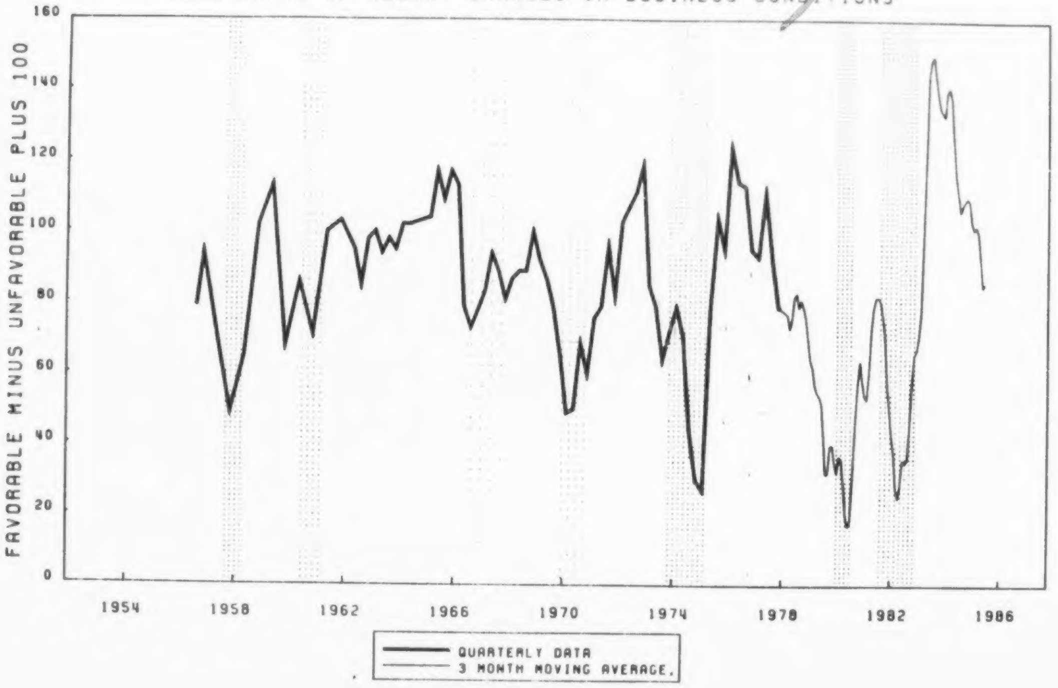


TABLE 12

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
FAVORABLE NEWS	50%	42%	51%	52%	44%	41%	39%	43%	50%	35%	30%	30%	37%
UNFAVORABLE NEWS	40	39	40	38	38	35	42	42	41	45	49	47	43
NO MENTIONS	41	46	39	41	44	49	46	44	41	48	49	48	50

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

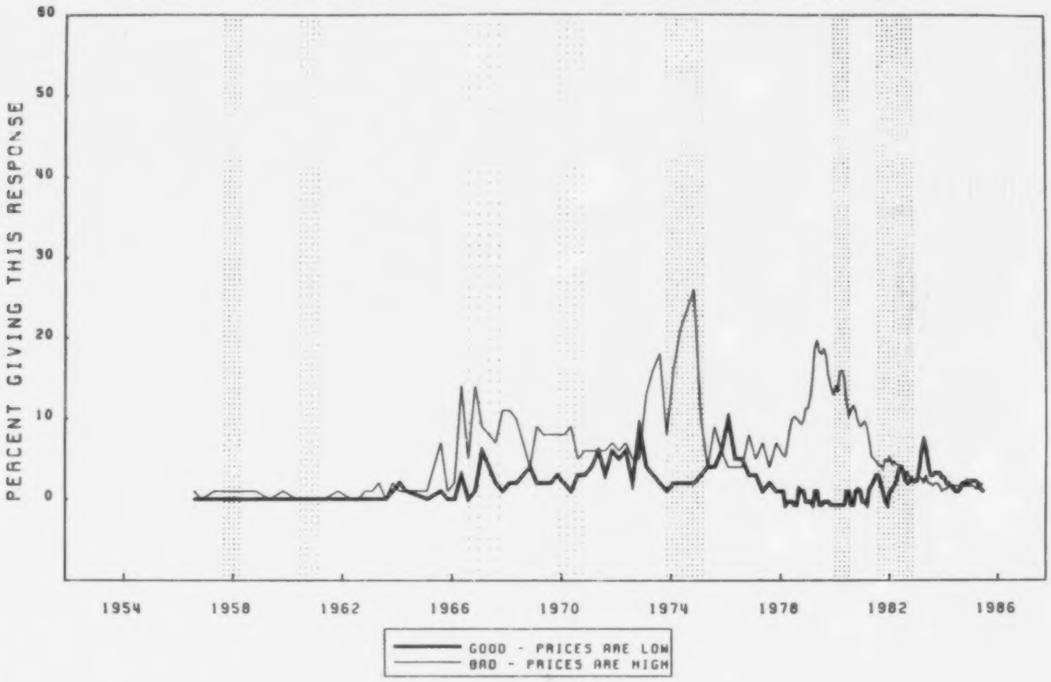


CHART 13B - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

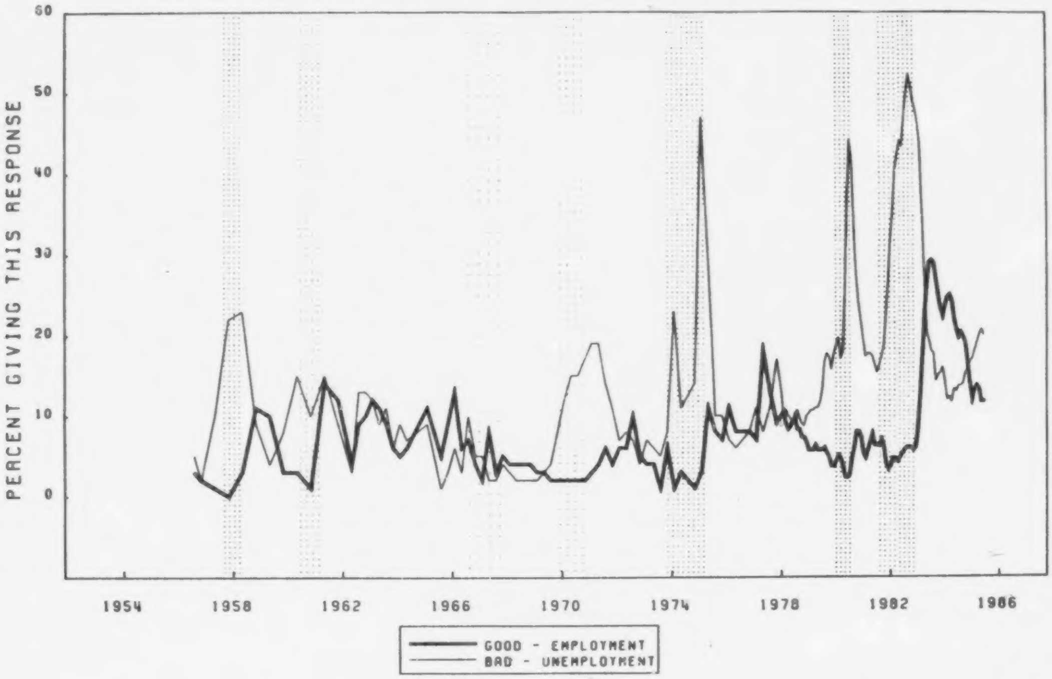


TABLE 13

SELECTED ITEMS OF
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
FAVORABLE NEWS:													
Government; elections	2%	2%	2%	3%	1%	2%	3%	4%	3%	2%	1%	2%	5%
Employment	21	20	20	19	18	13	11	12	17	12	11	12	12
Consumer demand high	8	4	7	7	5	4	5	5	5	5	3	3	4
Prices are low	1	1	2	3	1	3	2	2	3	2	1	1	1
Credit is easy	3	2	4	3	4	8	9	10	9	5	4	3	7
UNFAVORABLE NEWS:													
Governme~~nt; ele~~ctions	2	4	4	4	3	3	6	5	6	5	5	4	6
Unemployment	13	13	15	14	17	16	17	18	19	20	21	21	18
Consumer demand low	1	2	2	2	1	2	3	3	3	2	3	3	3
Prices are high	2	1	2	2	1	2	2	1	2	1	2	2	2
Credit is tight	12	13	9	6	5	3	2	2	1	2	2	2	1
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

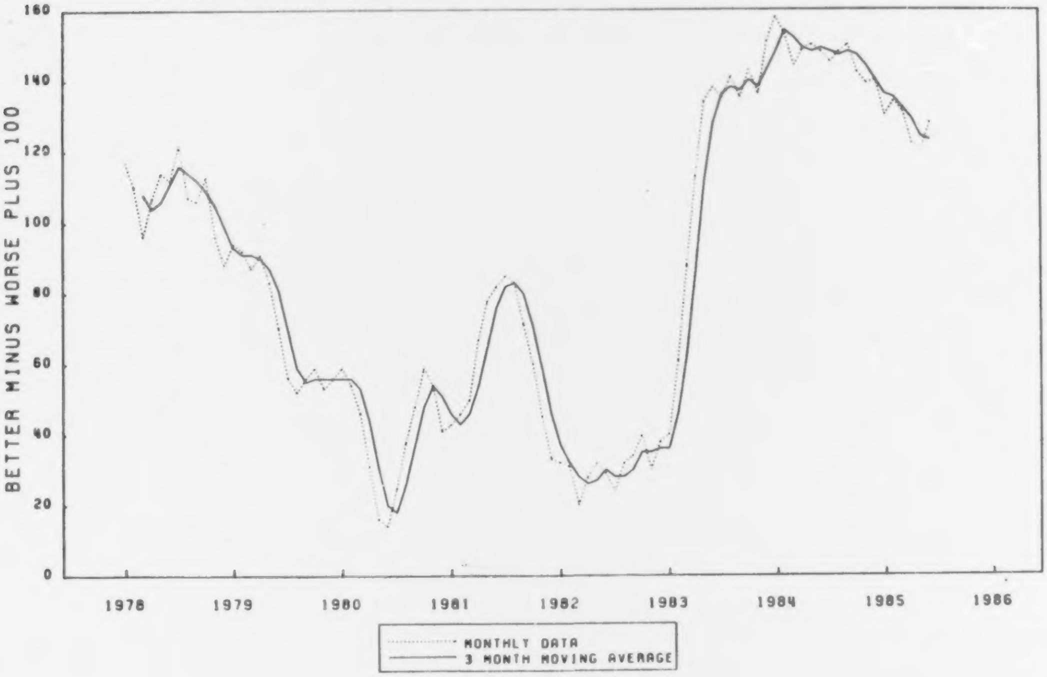


CHART 14 - HISTORICAL SERIES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

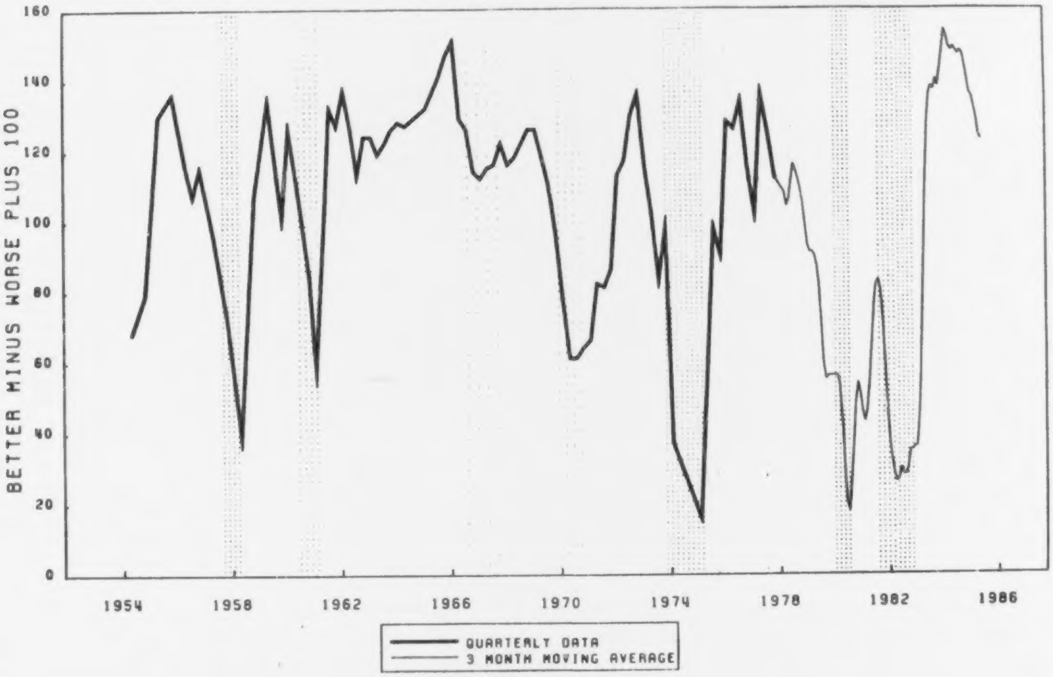


TABLE 14

CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
BETTER NOW	67%	67%	68%	68%	65%	63%	63%	57%	60%	57%	51%	53%	56%
SAME	12	9	11	12	10	12	13	14	12	15	17	13	14
WORSE NOW	19	22	20	18	23	24	23	27	26	26	29	33	28
DK,NA	2	2	1	2	2	1	1	2	2	2	3	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

CHART 15 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

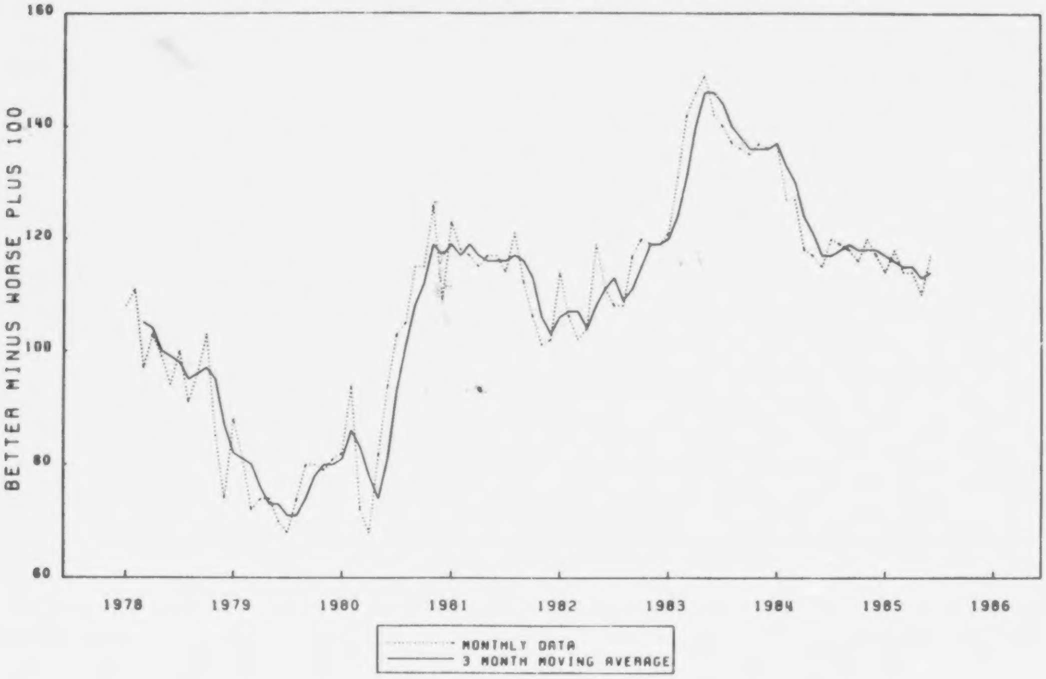


CHART 15 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

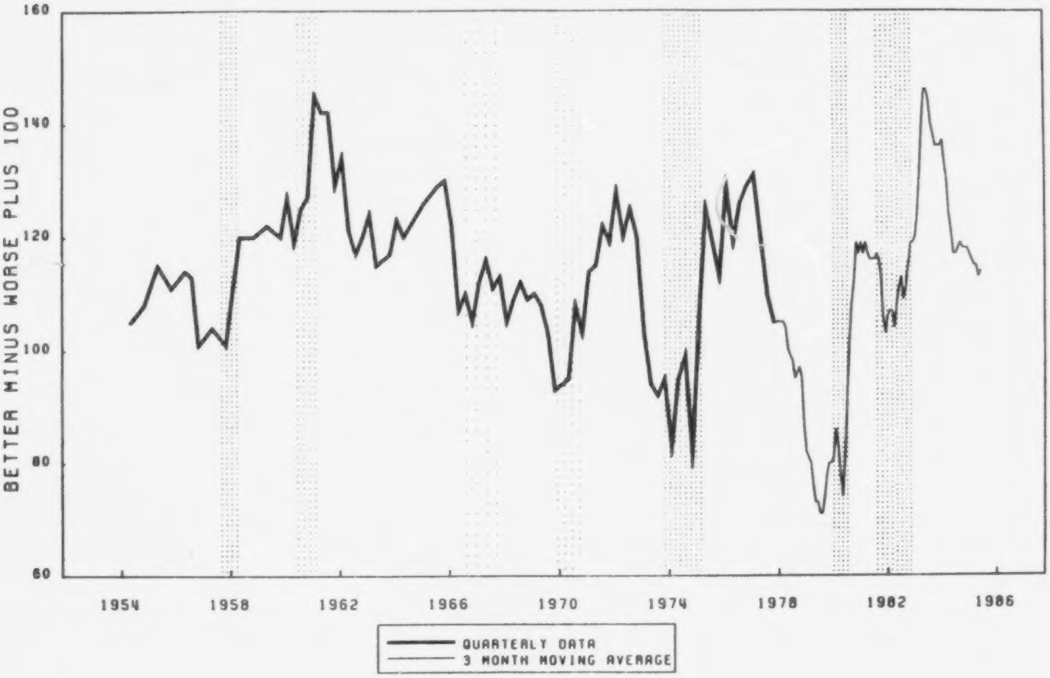


TABLE 15

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
BETTER	30%	32%	33%	33%	32%	35%	33%	29%	33%	29%	29%	27%	29%
SAME	53	51	49	48	49	48	47	55	50	53	53	54	57
WORSE	15	12	14	15	16	15	16	15	15	15	15	17	12
DK,NA	2	5	4	4	3	2	4	1	2	3	3	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

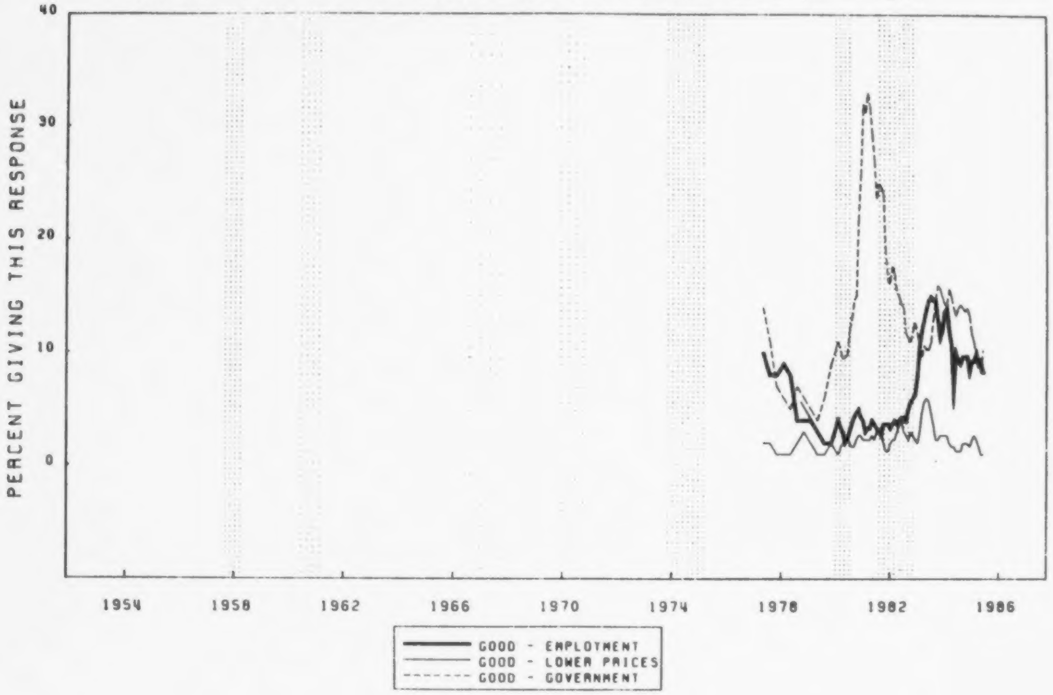


CHART 16B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

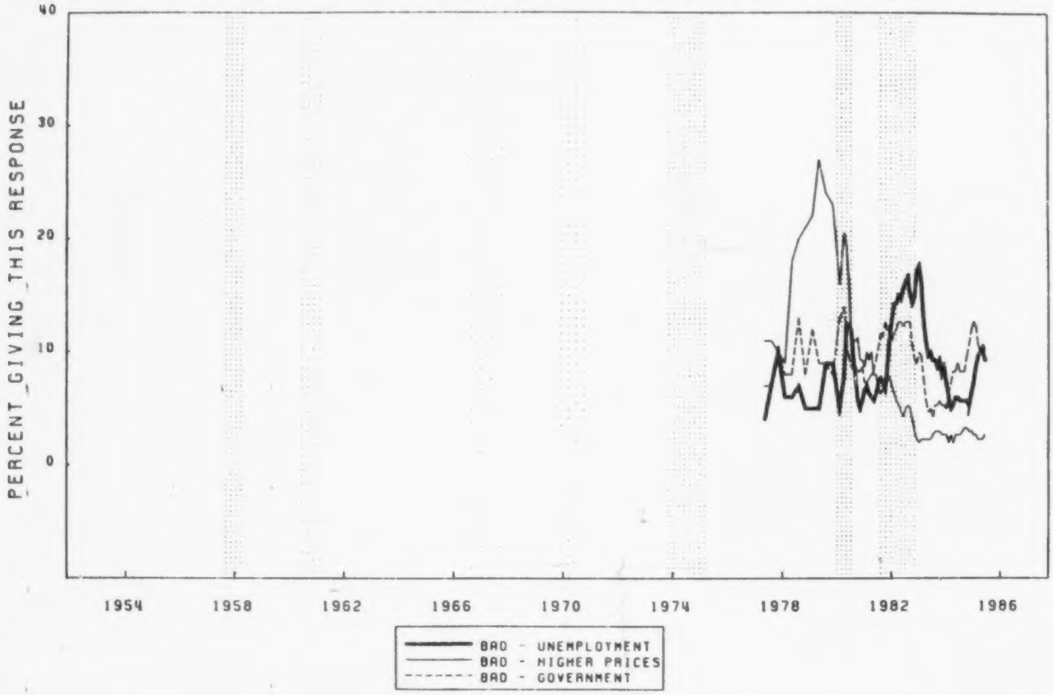


TABLE 16

REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
FAVORABLE REASONS:													
Government; elections	15%	15%	13%	14%	14%	14%	12%	9%	12%	8%	9%	8%	14%
Employment	10	9	8	12	9	8	8	12	8	10	9	9	7
Higher consumer demand	4	5	5	2	2	5	4	4	4	5	5	4	5
Lower prices	1	1	2	3	1	2	2	3	3	1	1	1	1
Easier credit	2	4	4	4	3	5	6	4	4	4	3	2	6
UNFAVORABLE REASONS:													
Government; elections	11	5	9	11	9	12	15	11	11	10	9	13	9
Unemployment	5	6	6	5	6	5	8	9	9	11	10	10	8
Lower consumer demand	2	2	3	2	2	3	4	2	2	4	4	4	2
Higher prices	2	3	4	3	3	3	3	2	3	2	2	3	3
Tighter credit	8	7	5	4	4	3	3	4	3	2	2	1	1
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

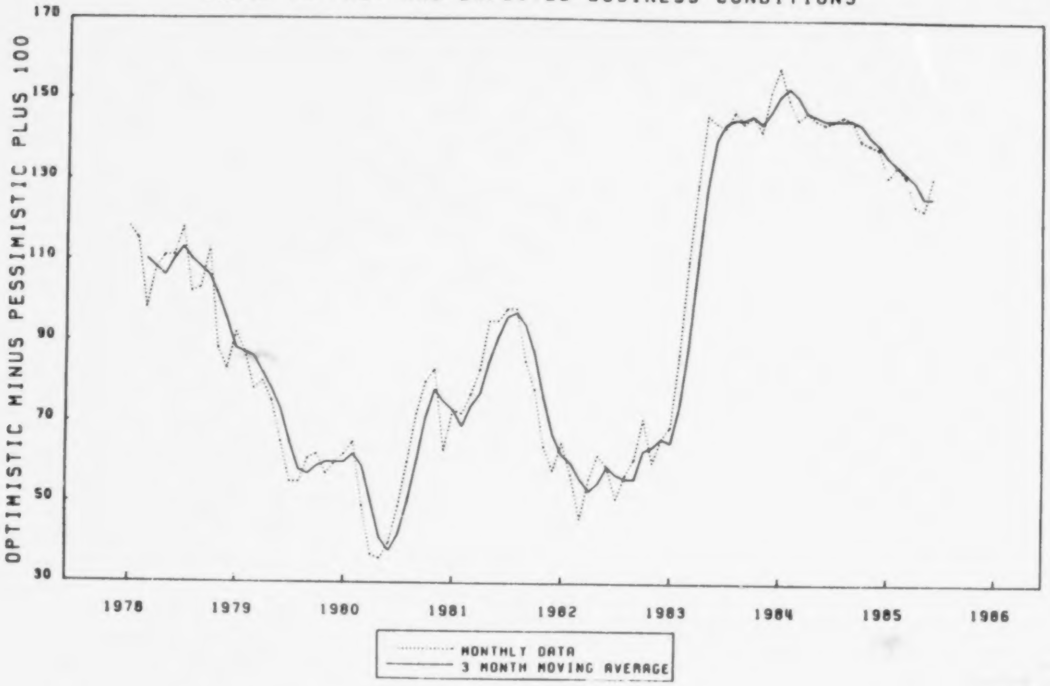


CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

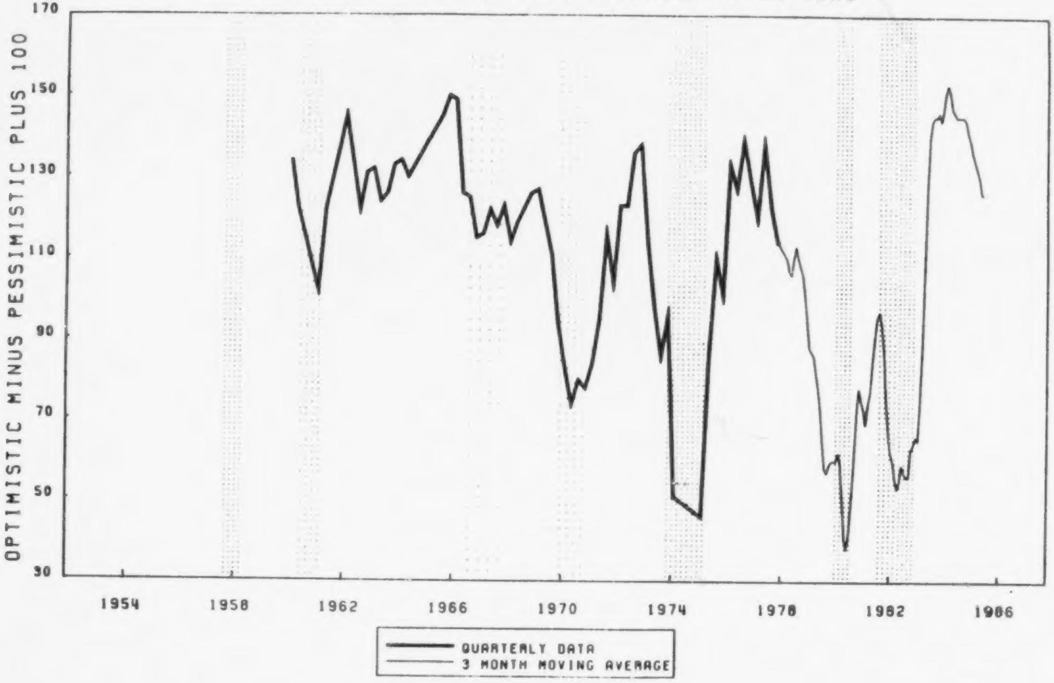


TABLE 17

TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
TREND:													
Continuous increase (a)	25%	25%	25%	27%	24%	28%	27%	21%	26%	22%	21%	18%	22%
Intermittent increase (b)	37	38	36	35	36	32	32	36	31	33	29	34	34
Remain unchanged (c)	7	4	6	6	5	6	7	8	7	9	11	8	9
Intermittent decline (d)	11	12	10	11	12	14	13	17	15	15	18	18	17
Continuous decline (e)	7	6	5	6	8	7	8	9	8	9	8	11	8
Mixed change (f)	9	9	12	10	10	9	9	7	9	8	8	8	6
DK,NA	4	6	6	5	5	4	4	2	4	4	5	3	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

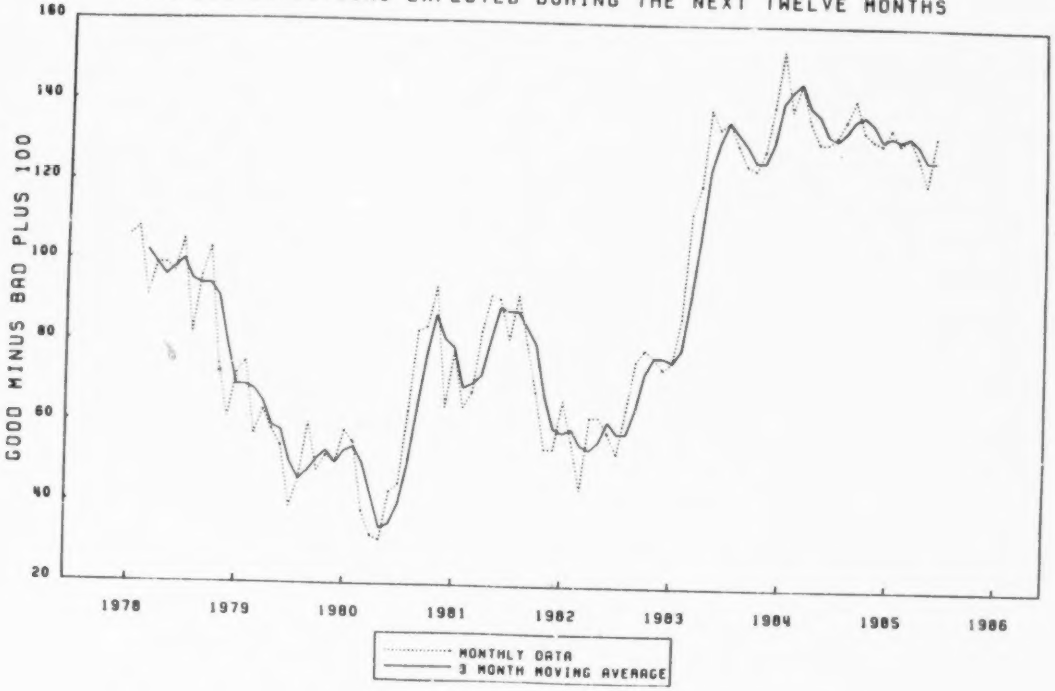


CHART 18 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

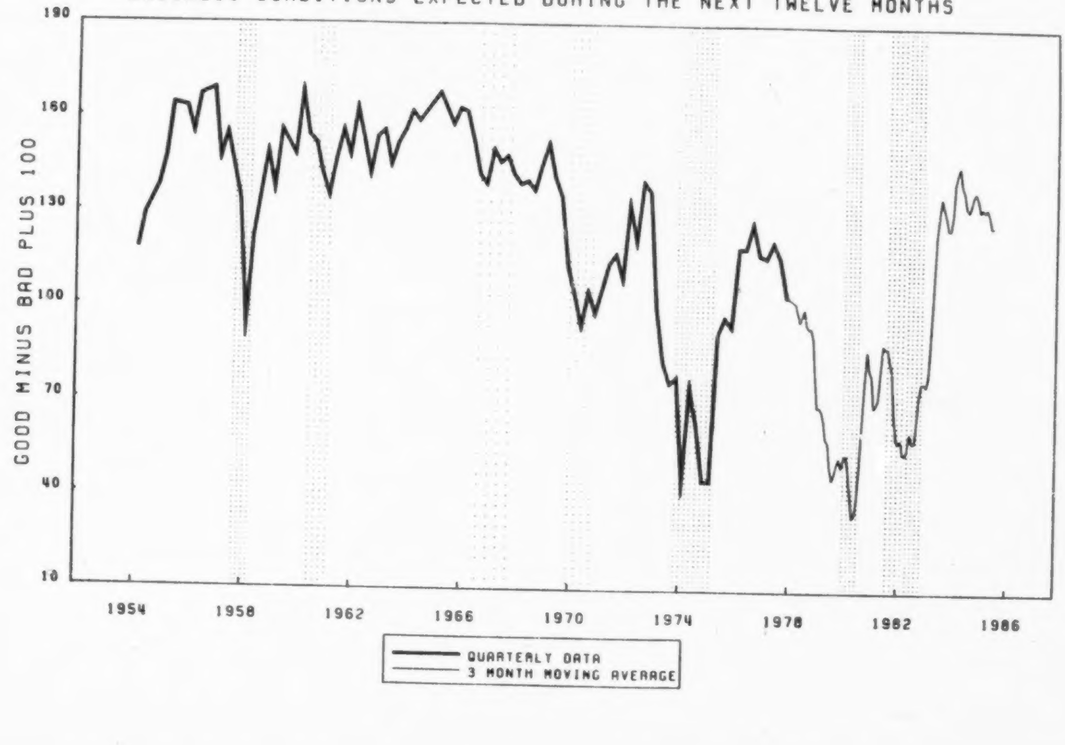


TABLE 18

BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
GOOD TIMES	60%	61%	62%	66%	60%	59%	59%	63%	62%	62%	58%	55%	59%
UNCERTAIN; GOOD & BAD	2	2	3	3	4	3	3	4	2	2	3	1	3
BAD TIMES	29	28	25	24	26	27	28	28	31	29	30	34	26
DON'T KNOW	6	6	7	6	6	7	7	4	3	5	6	6	5
NOT ASCERTAINED	3	3	3	1	4	4	3	1	2	2	3	4	7
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

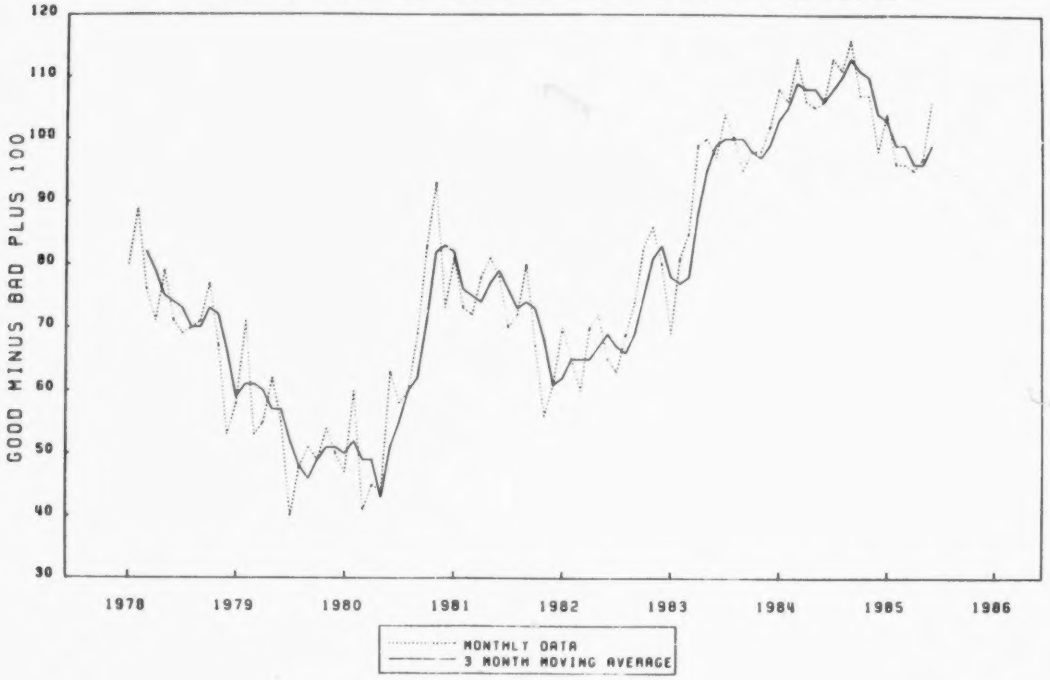


CHART 19 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

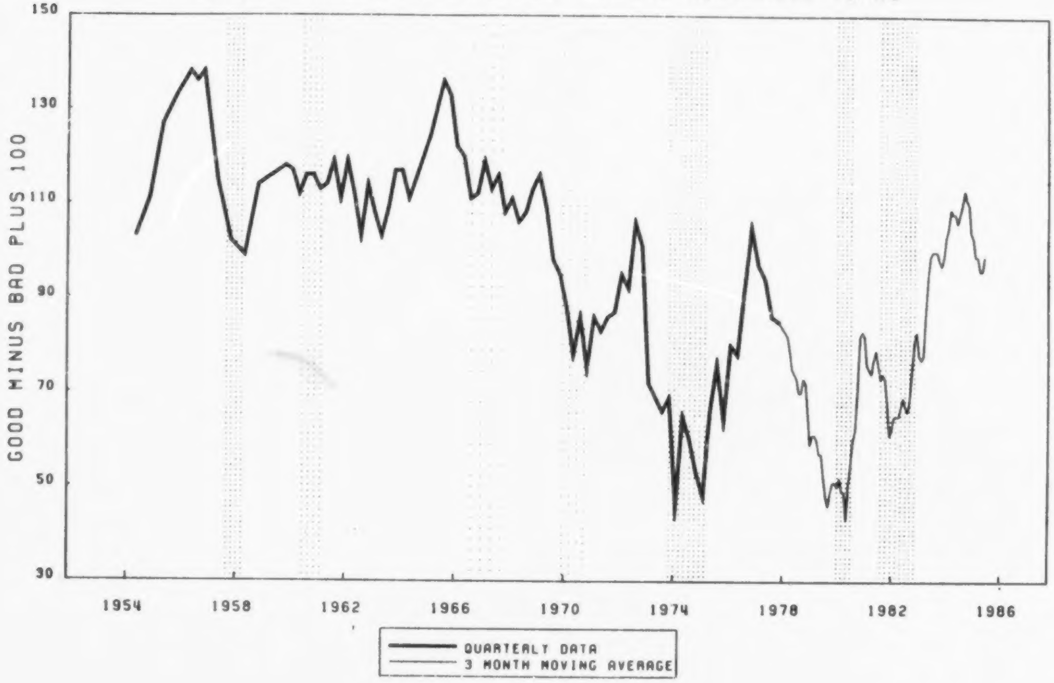


TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
GOOD TIMES	42%	44%	47%	47%	43%	42%	39%	43%	41%	40%	39%	40%	43%
UNCERTAIN; GOOD & BAD	17	19	13	17	17	17	15	15	11	13	14	14	17
BAD TIMES	36	31	36	31	36	35	41	39	45	44	44	43	37
NOT ASCERTAINED	5	6	4	5	4	6	5	3	3	3	3	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

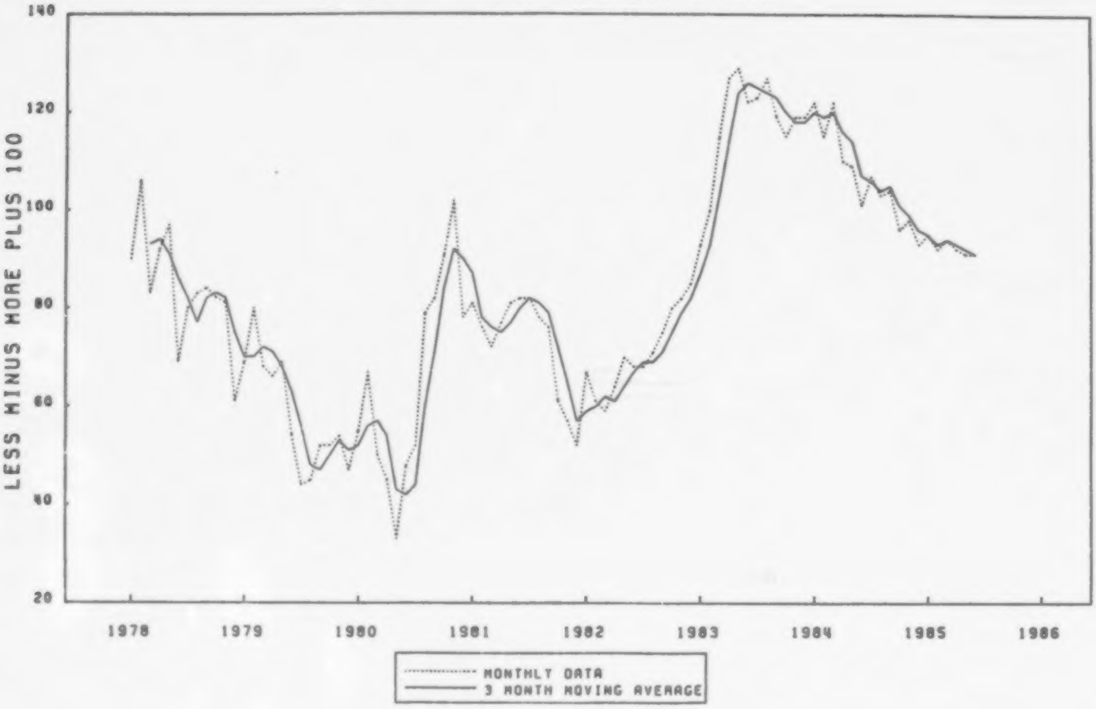


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

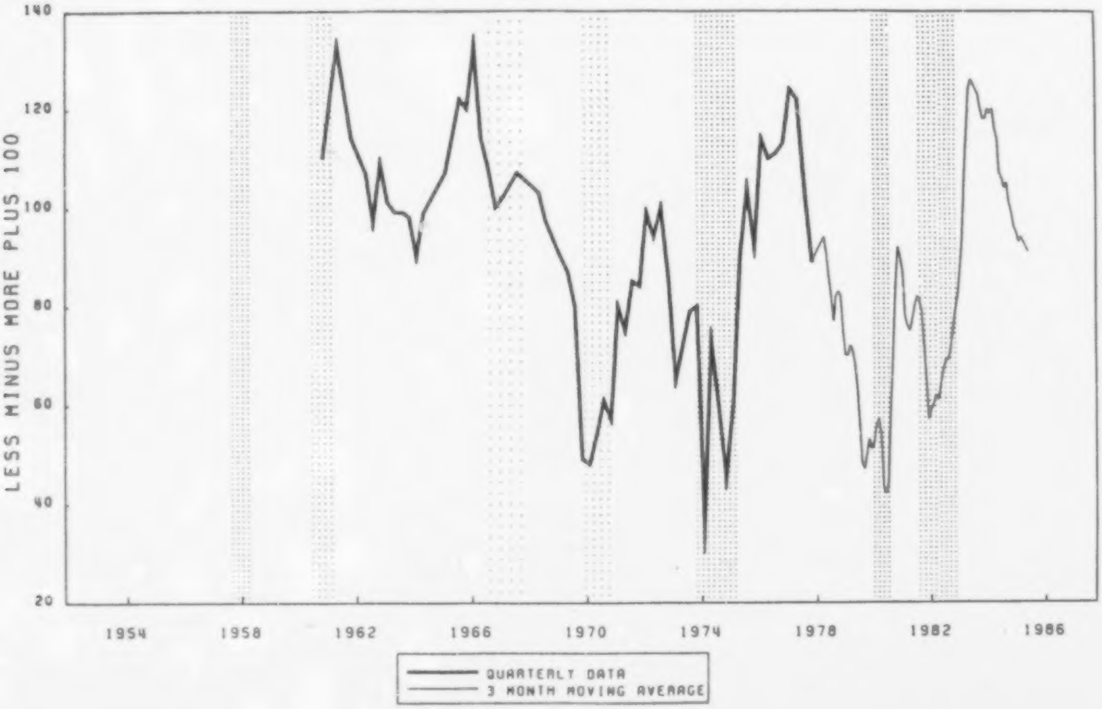


TABLE 20

EXPECTED CHANGE IN UNEMPLOYMENT

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
LESS	24%	26%	24%	26%	20%	22%	21%	20%	20%	23%	20%	19%	16%
SAME	52	53	54	50	54	52	50	54	50	47	50	52	58
MORE	23	19	21	22	24	24	28	25	28	29	28	28	25
DK,NA	1	2	1	2	2	2	1	1	2	1	2	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

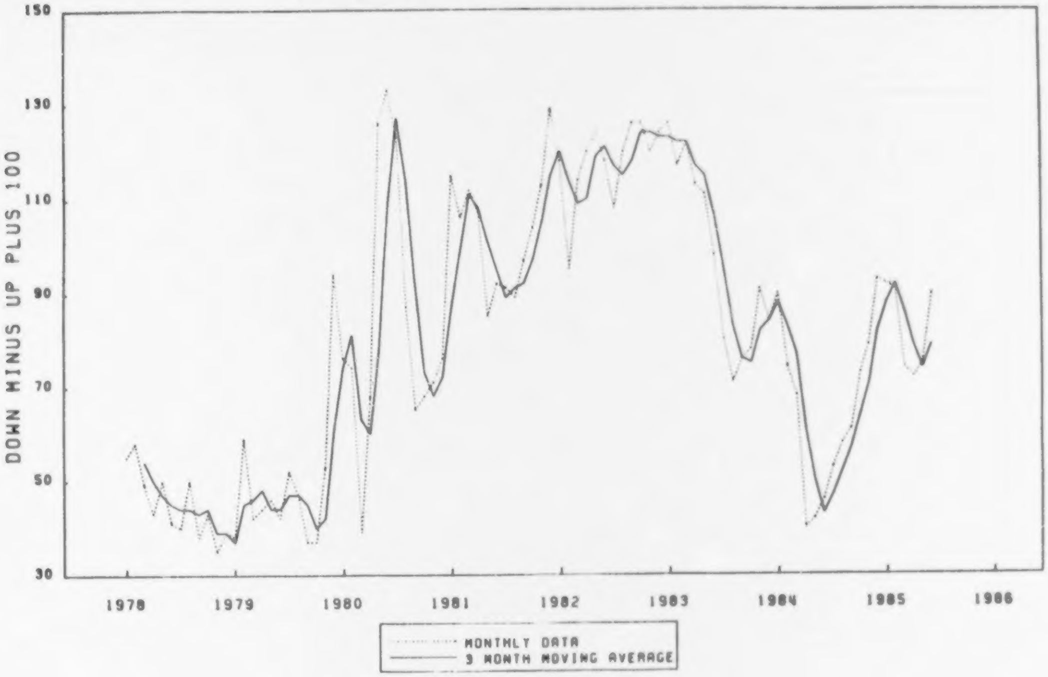


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

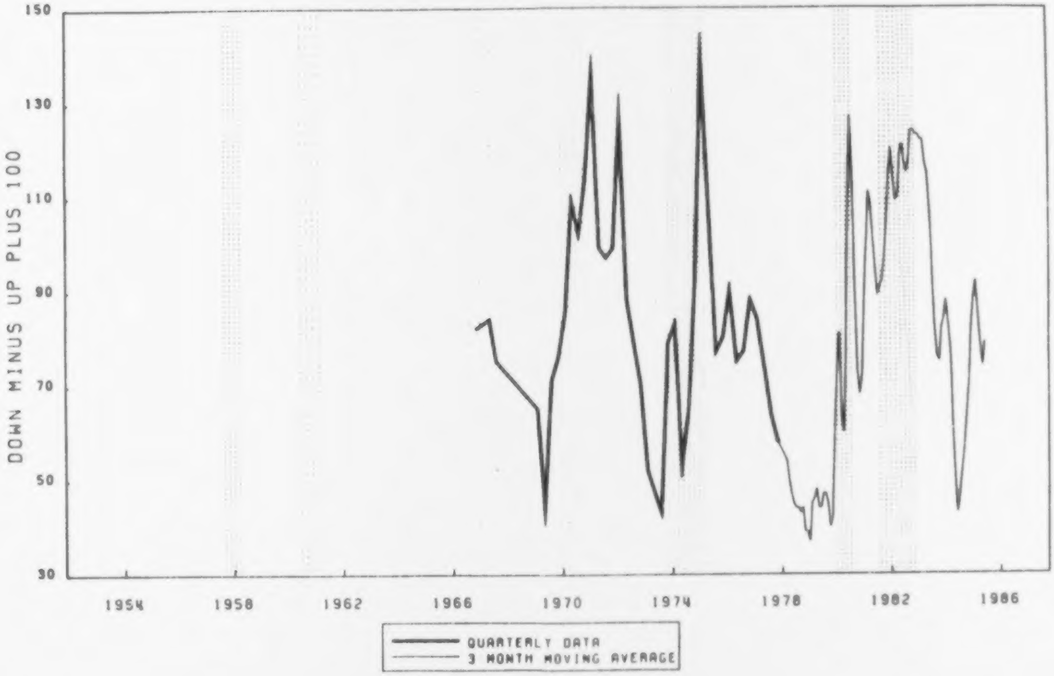


TABLE 21

EXPECTED CHANGE IN INTEREST RATES

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
GO UP	64%	58%	55%	52%	45%	44%	37%	36%	35%	45%	47%	44%	36%
STAY THE SAME	24	27	29	32	33	31	30	33	37	32	31	34	36
GO DOWN	10	11	13	13	18	23	30	28	26	19	19	19	26
DK,NA	2	4	3	3	4	2	3	3	2	4	3	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES
CHANGE IN PRICES DURING THE LAST 12 MONTHS

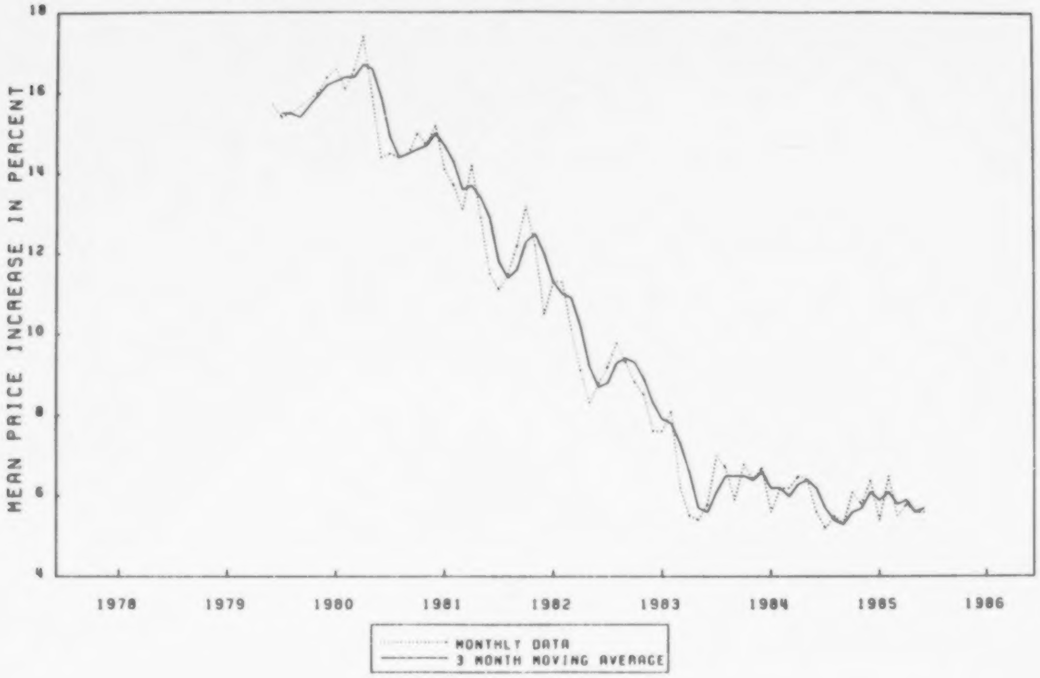


CHART 22 - HISTORICAL SERIES
CHANGE IN PRICES DURING THE LAST 12 MONTHS

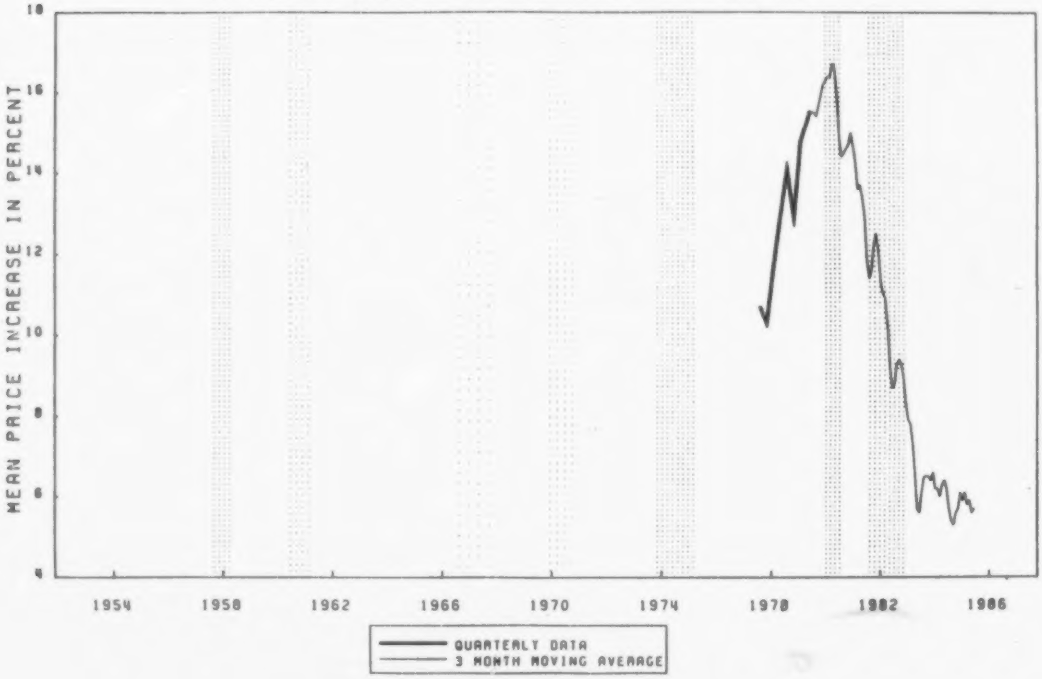


TABLE 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
SAME OR DOWN	22%	27%	29%	29%	28%	27%	24%	25%	25%	28%	24%	23%	24%
GONE UP BY:													
1-2%	12	8	10	9	9	11	9	11	11	11	10	13	12
3-4%	17	17	12	16	15	15	14	17	16	18	17	18	18
5%	16	16	18	16	13	14	18	17	13	14	16	16	13
6-9%	8	8	8	7	7	5	6	7	8	5	8	7	9
10-14%	12	11	11	9	11	11	11	10	11	10	13	9	11
15% or more	8	8	7	8	11	10	10	8	11	9	8	9	9
DK how much up	5	4	5	6	5	6	7	5	4	5	4	4	3
DK,NA	*	1	*	*	1	1	1	*	1	*	*	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	5.6	5.2	5.5	5.3	6.1	5.8	6.4	5.4	6.5	5.5	5.8	5.6	5.6
VARIANCE	54	48	75	63	84	76	86	66	93	72	64	72	61
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

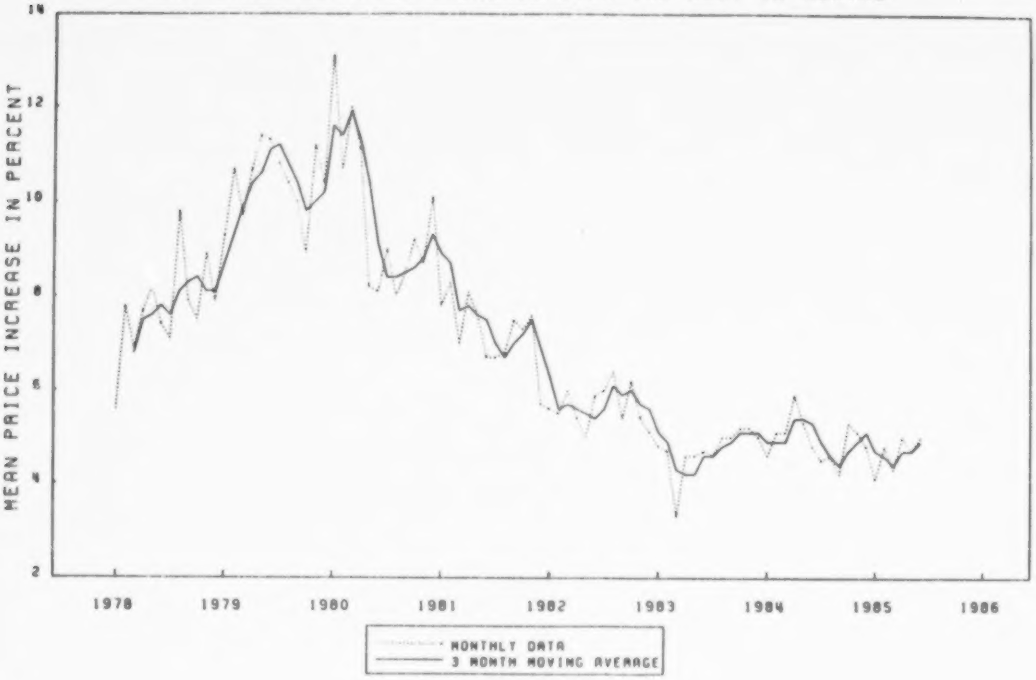


CHART 23 - HISTORICAL SERIES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

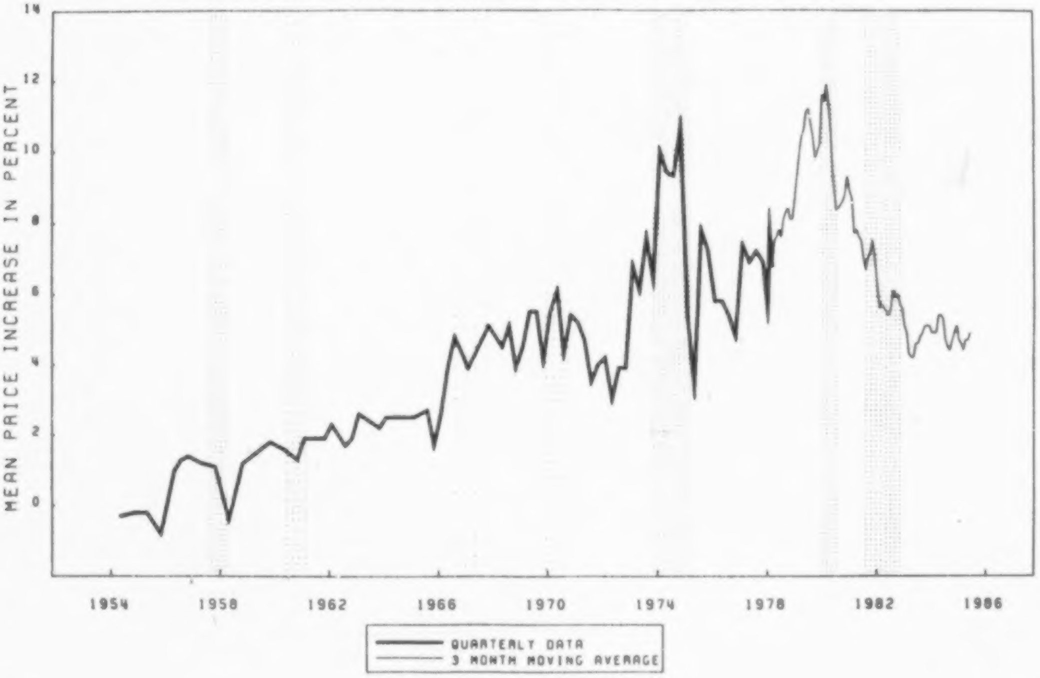


TABLE 23

EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
SAME OR DOWN	19%	23%	24%	24%	22%	23%	25%	26%	25%	26%	22%	20%	19%
WILL GO UP BY:													
1-2%	14	13	18	16	13	14	13	16	14	15	13	17	16
3-4%	16	17	15	19	15	17	17	20	19	19	20	20	21
5%	18	20	18	14	18	18	16	15	15	15	16	20	19
6-9%	11	8	6	8	9	6	9	6	6	6	8	6	6
10-14%	13	8	8	8	10	9	9	7	10	9	11	7	9
15% or more	4	5	5	4	7	7	5	4	6	6	6	6	6
DK how much up	4	3	5	4	4	4	4	4	4	4	3	2	2
DK,NA	1	3	1	3	2	2	2	2	1	*	1	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	4.8	4.5	4.6	4.2	5.3	5.1	4.8	4.1	4.8	4.3	5.0	4.7	5.0
VARIANCE	27	33	46	36	53	47	44	36	51	34	44	46	51
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

* : Less than half of one percent.

CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

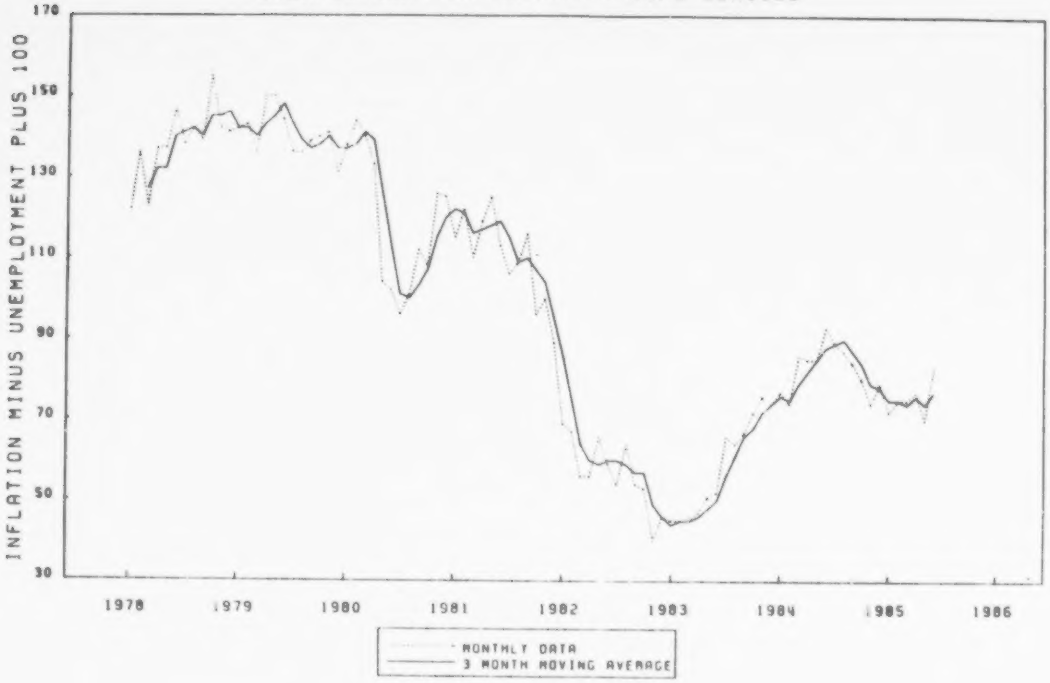


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

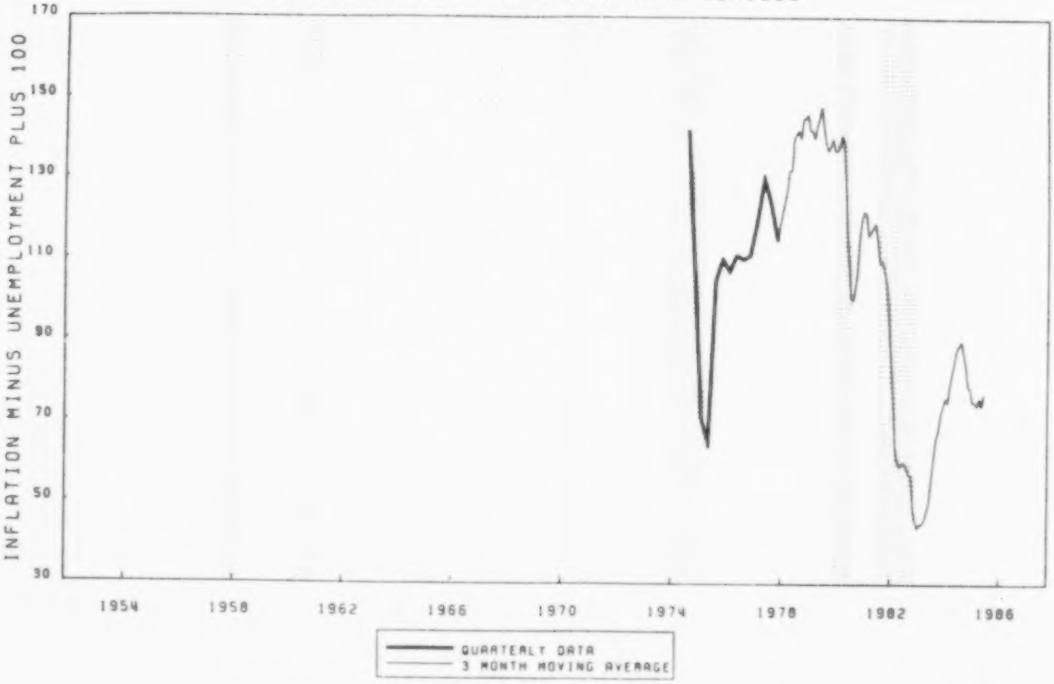


TABLE 24

UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
UNEMPLOYMENT	51%	51%	52%	54%	55%	59%	56%	60%	58%	59%	57%	61%	55%
BOTH EQUALLY SERIOUS	3	7	6	5	8	7	6	6	5	5	6	6	4
INFLATION	44	40	39	38	35	33	35	32	33	34	34	31	38
DK,NA	2	2	3	3	2	1	3	2	4	2	3	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

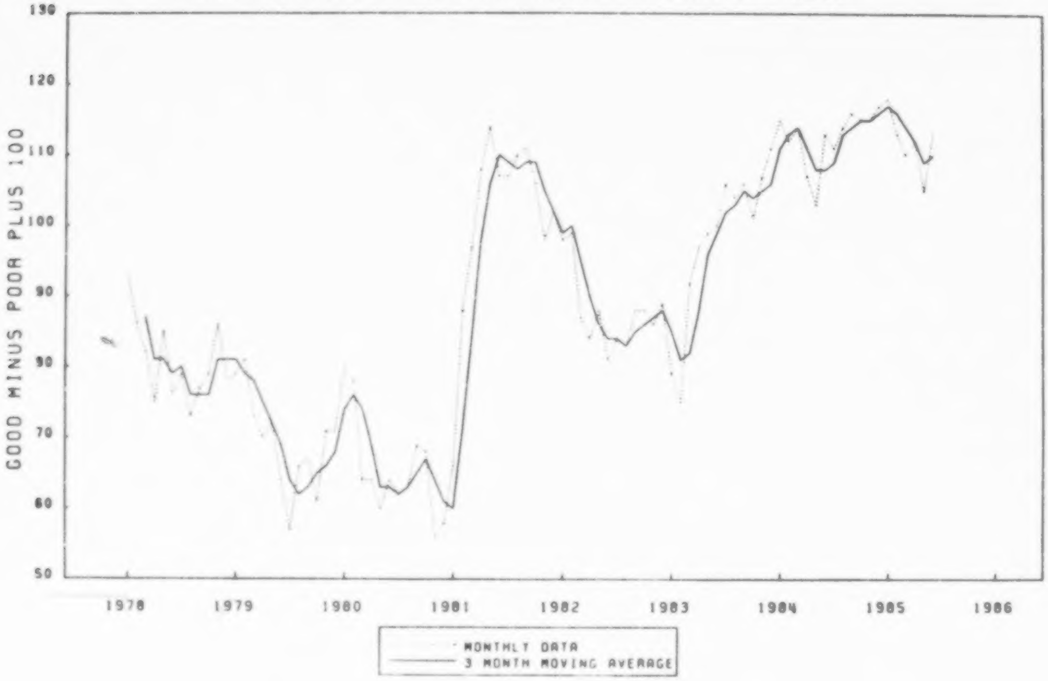


CHART 25 - HISTORICAL SERIES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

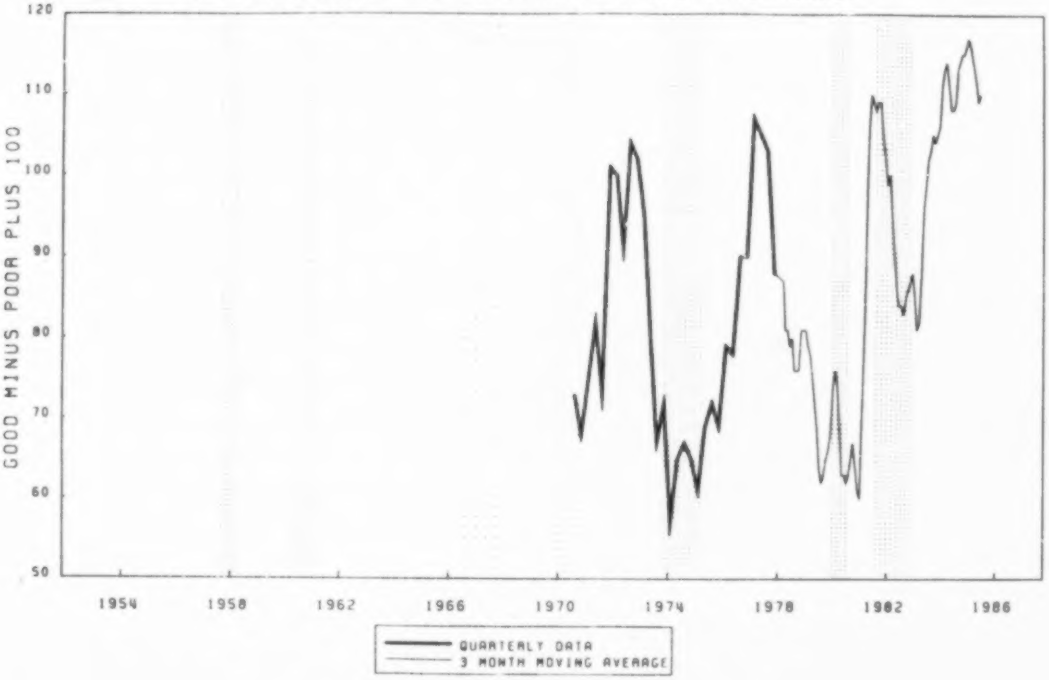


TABLE 25

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
A GOOD JOB	31%	30%	33%	35%	36%	32%	33%	34%	33%	32%	30%	26%	29%
ONLY FAIR	49	48	46	44	41	50	49	49	46	43	50	51	53
A POOR JOB	18	19	19	19	21	17	16	16	20	22	18	21	16
DK,NA	2	3	2	2	2	1	2	1	1	3	2	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

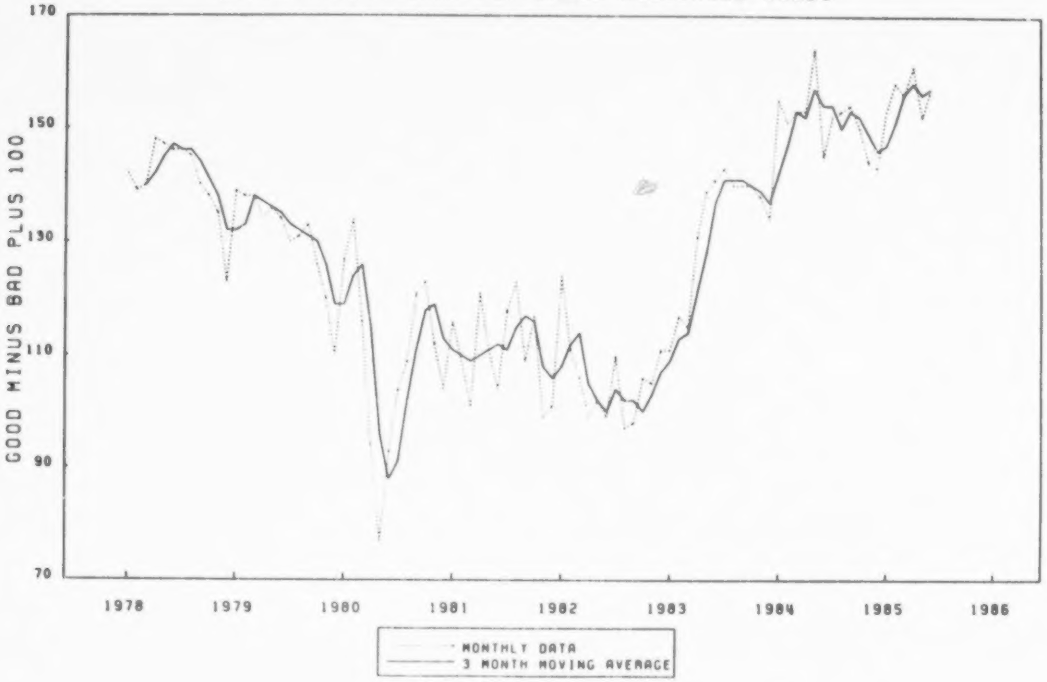


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

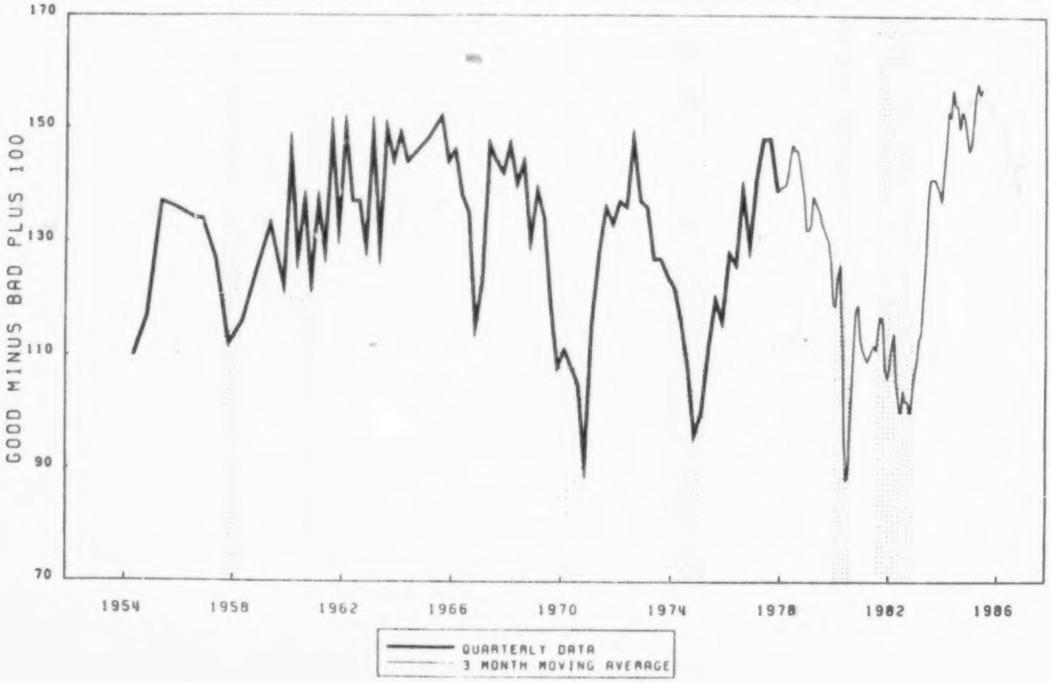


TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
GOOD TIME TO BUY	67%	71%	72%	72%	70%	67%	67%	73%	75%	74%	77%	72%	74%
UNCERTAIN, DEPENDS	11	10	9	10	10	10	9	7	8	8	7	8	9
BAD TIME TO BUY	22	19	19	18	20	23	24	20	17	18	16	20	17
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

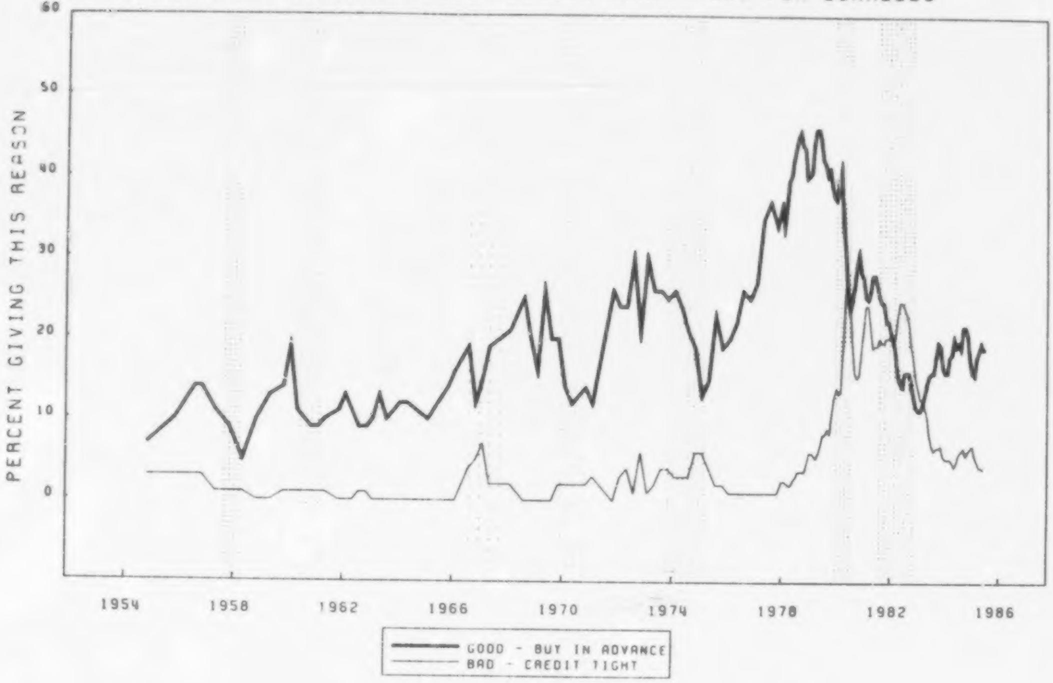


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

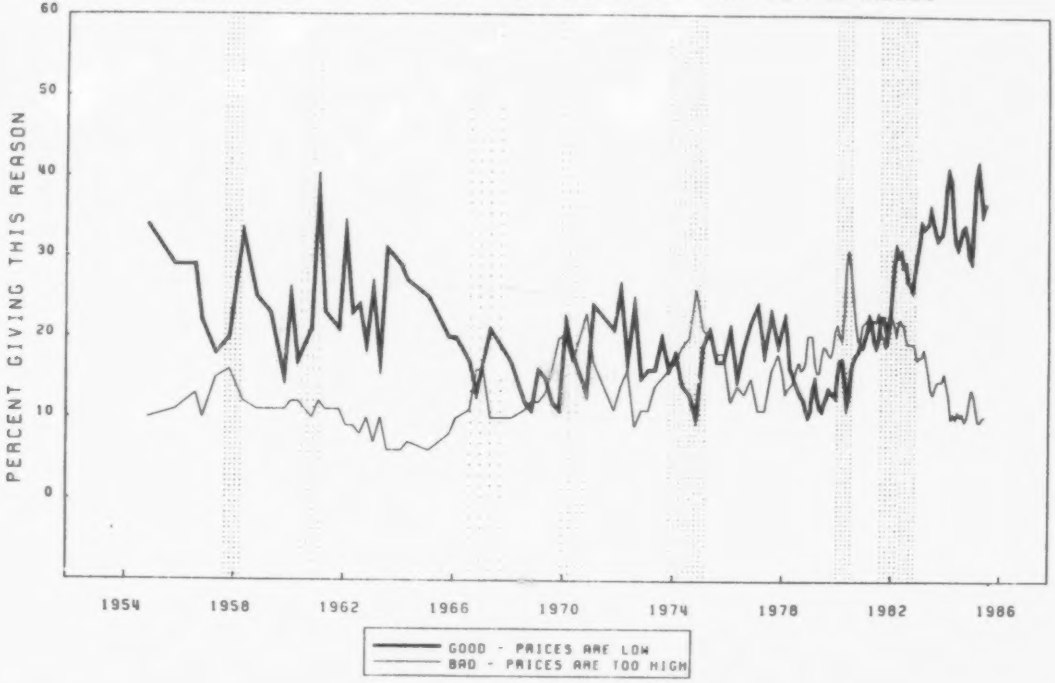


TABLE 27

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	33%	33%	35%	34%	29%	28%	32%	45%	43%	36%	37%	34%	39%
Prices won't come down; are going higher	16	21	20	24	21	17	15	16	16	22	18	19	20
Interest rates low; credit is easy	11	10	8	8	11	11	10	11	11	10	13	11	13
BAD TIME TO BUY:													
Prices are high	13	10	9	10	12	14	15	10	9	10	10	11	10
Interest rates are high; credit is tight	5	8	6	6	5	8	7	6	4	5	4	4	4
Lack of purchasing power	7	5	7	7	7	7	7	10	6	7	6	9	7

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

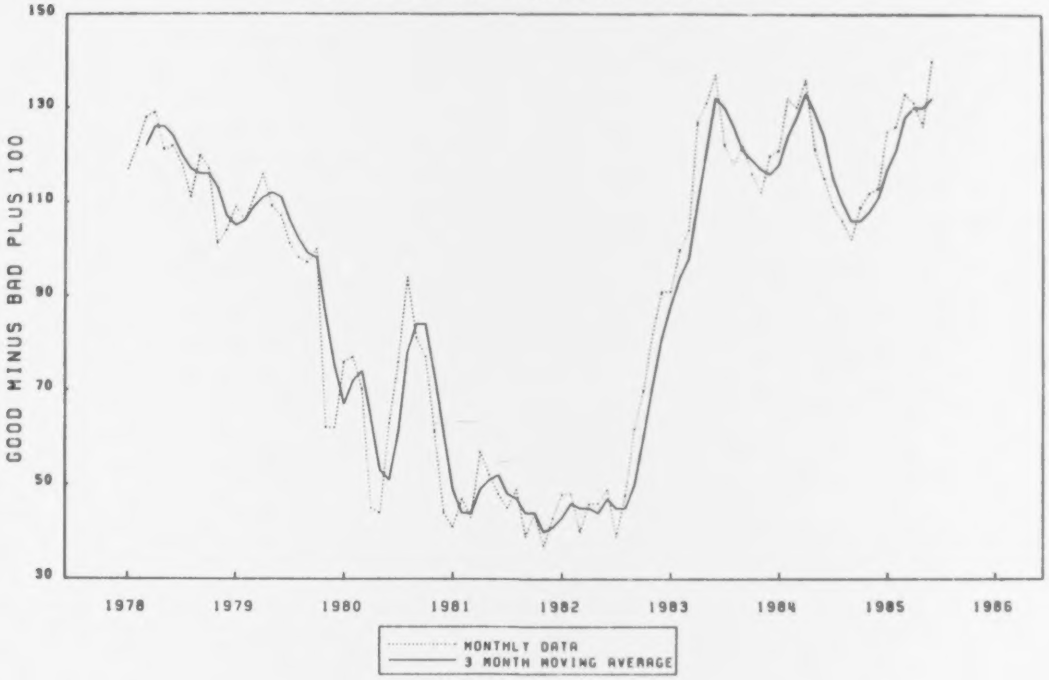


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

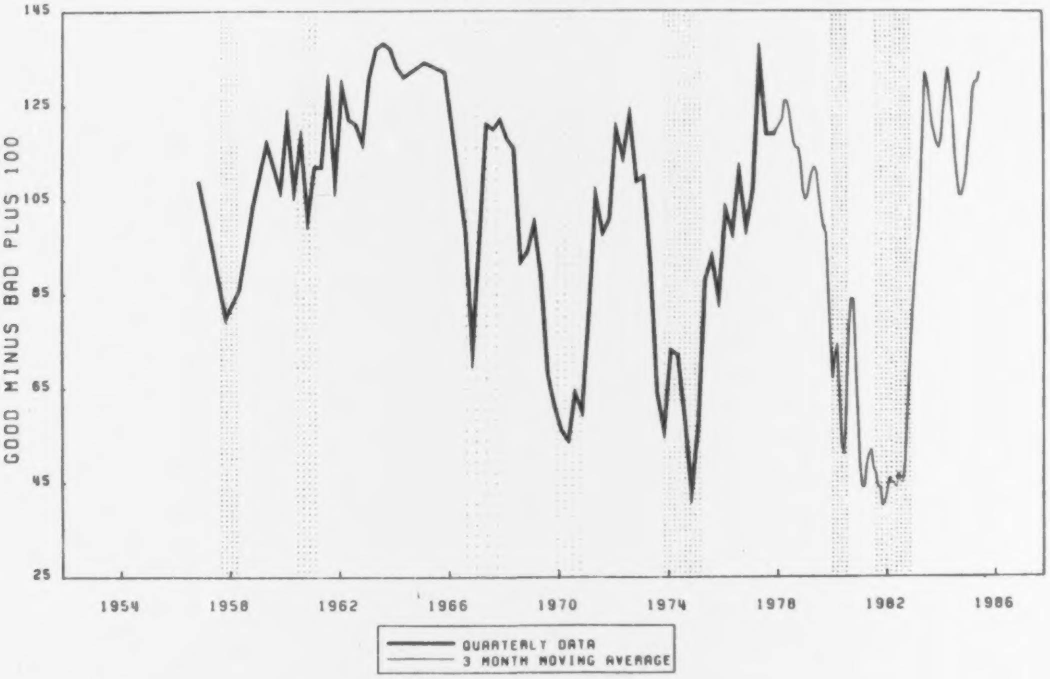


TABLE 28

BUYING CONDITIONS FOR HOUSES

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
GOOD TIME TO BUY	55%	52%	50%	48%	52%	54%	54%	61%	61%	64%	64%	61%	67%
UNCERTAIN, DEPENDS	5	5	6	6	5	4	5	3	4	5	3	4	6
BAD TIME TO BUY	40	43	44	46	43	42	41	36	35	31	33	35	27
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

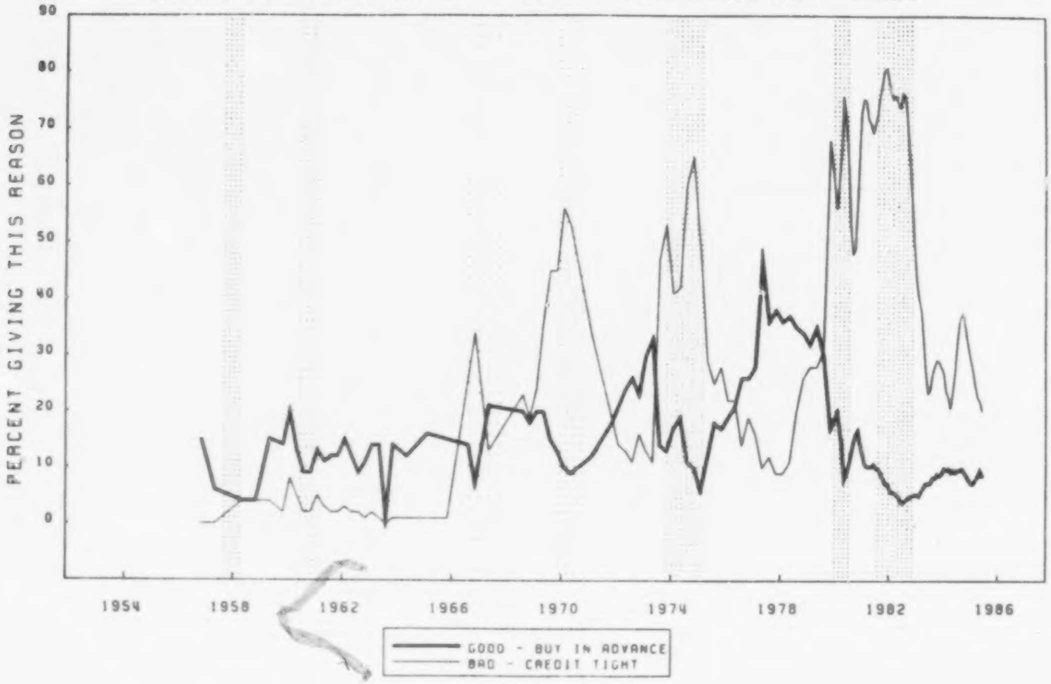


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

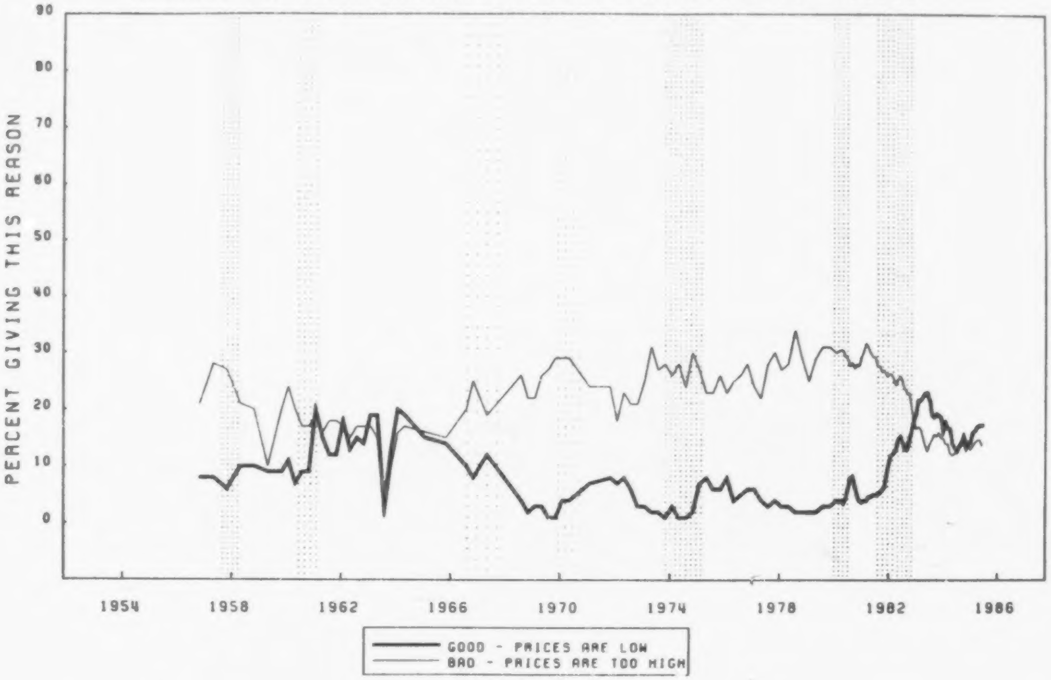


TABLE 29

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	13%	13%	15%	14%	15%	11%	17%	15%	16%	18%	17%	17%	18%
Prices won't come down; are going higher	9	11	9	10	9	7	8	7	7	10	9	10	7
Interest rates low; credit is easy	38	37	35	34	35	44	38	49	50	48	47	43	56
Good investment	8	5	4	7	5	7	5	6	6	7	6	6	6
BAD TIME TO BUY:													
Prices are high	14	12	16	16	16	12	13	14	14	15	15	14	12
Interest rates are high; credit is tight	33	36	40	37	33	31	30	27	25	22	21	23	17
Lack of purchasing power	10	11	11	11	10	13	13	12	11	9	12	16	9

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

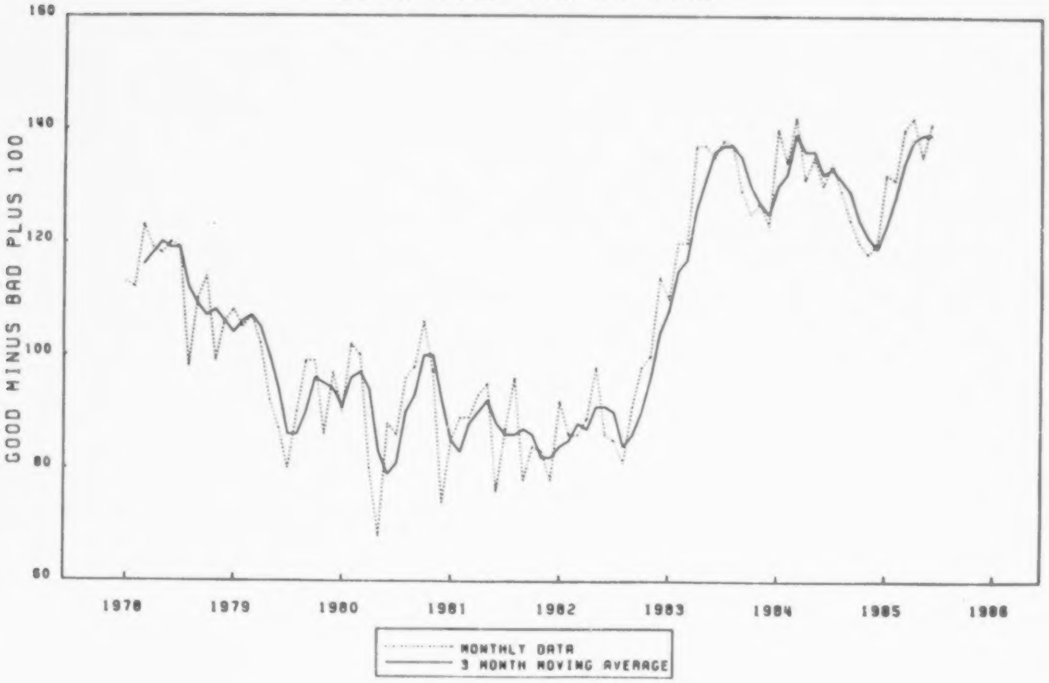


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

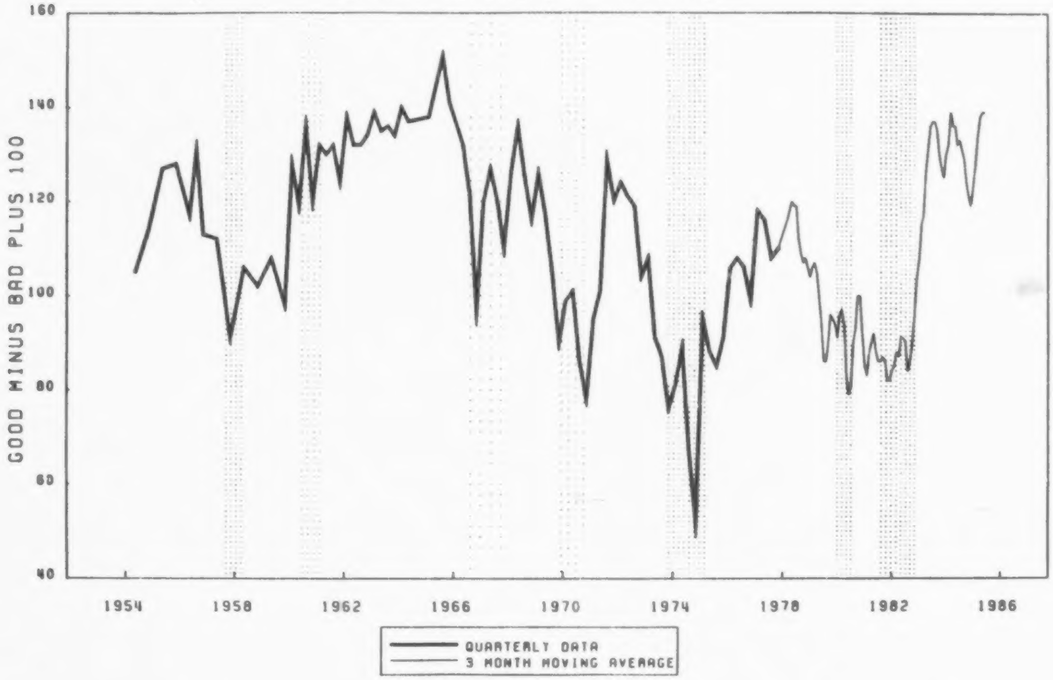


TABLE 30

BUYING CONDITIONS FOR CARS

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
GOOD TIME TO BUY	60%	62%	59%	59%	54%	55%	55%	62%	61%	67%	68%	65%	67%
UNCERTAIN; DEPENDS	10	10	11	6	12	8	10	8	9	6	6	5	7
BAD TIME TO BUY	30	28	30	35	34	37	35	30	30	27	26	30	26
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

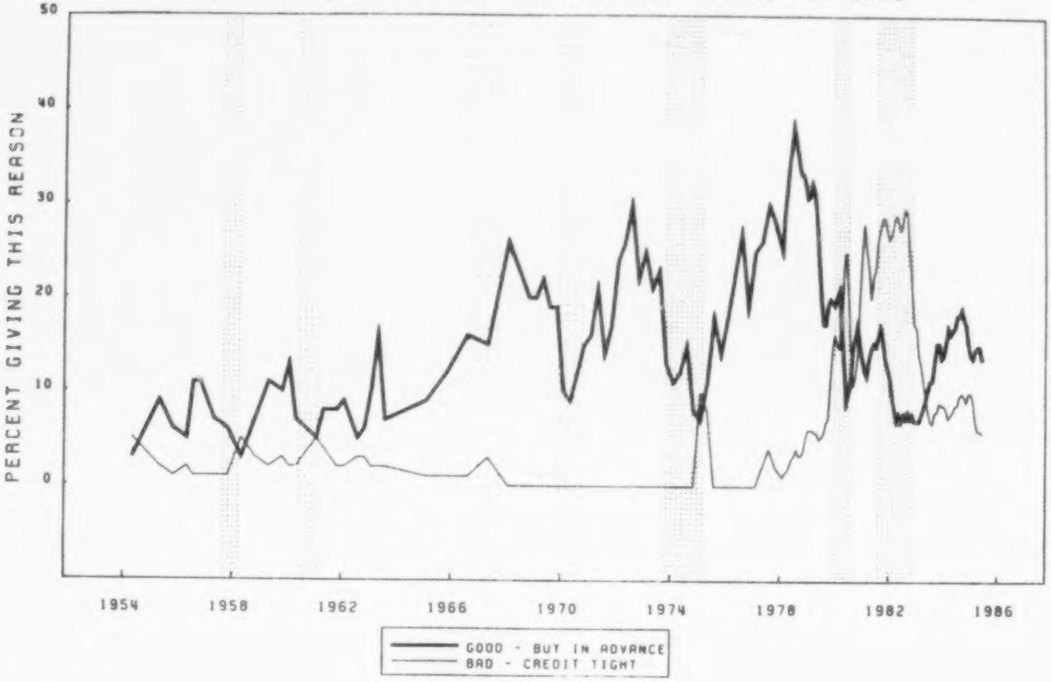


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

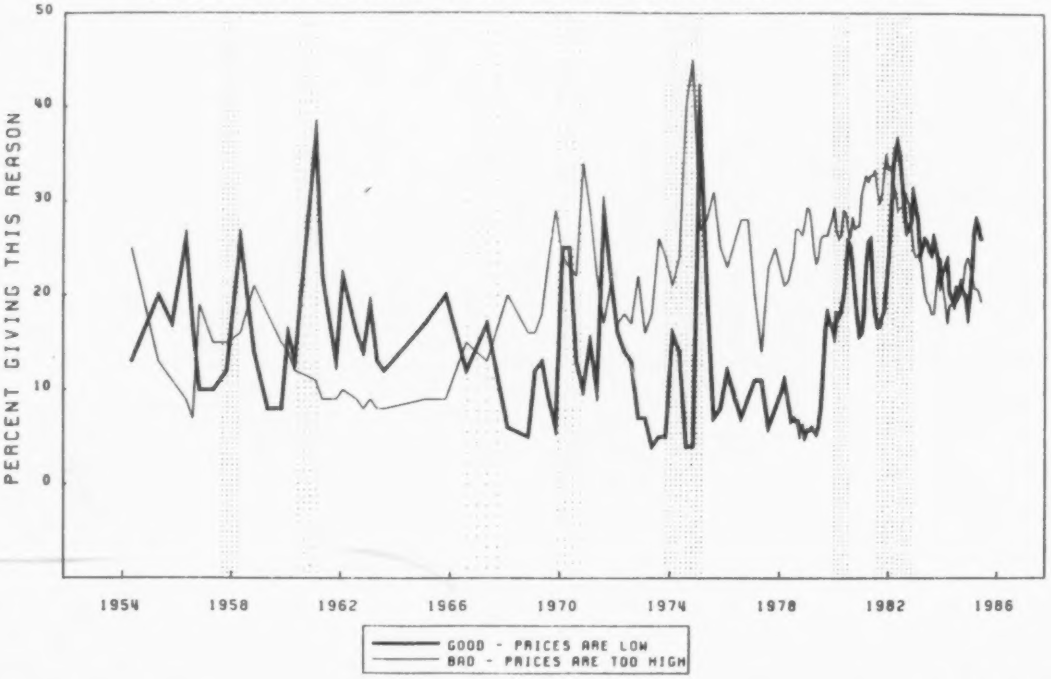


TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	21%	21%	19%	24%	18%	18%	18%	24%	26%	30%	28%	24%	26%
Prices won't come down; are going higher	18	20	17	20	17	15	14	13	14	17	14	14	13
Interest rates low; credit is easy	18	24	17	15	14	18	15	23	24	23	25	28	35
New fuel efficient models	1	1	2	1	2	*	2	*	1	1	1	1	1
BAD TIME TO BUY:													
Prices are high	20	20	19	22	23	25	24	21	21	20	21	20	17
Interest rates are high; credit is tight	8	9	12	9	8	10	12	8	8	5	5	8	4
Lack of purchasing power	4	4	5	6	6	8	7	7	6	6	4	6	6
Price of gas; shortages	*	*	1	*	*	*	*	*	*	*	*	*	*
Poor selection; quality	2	4	4	3	3	5	4	4	4	3	4	3	4

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

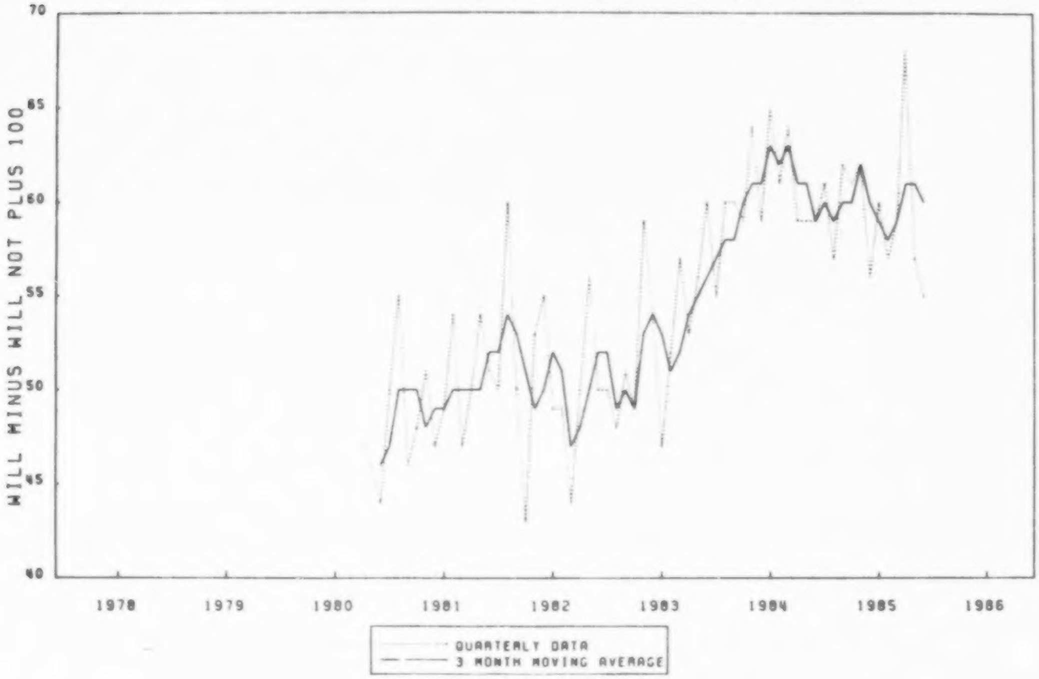


CHART 32 - HISTORICAL SERIES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

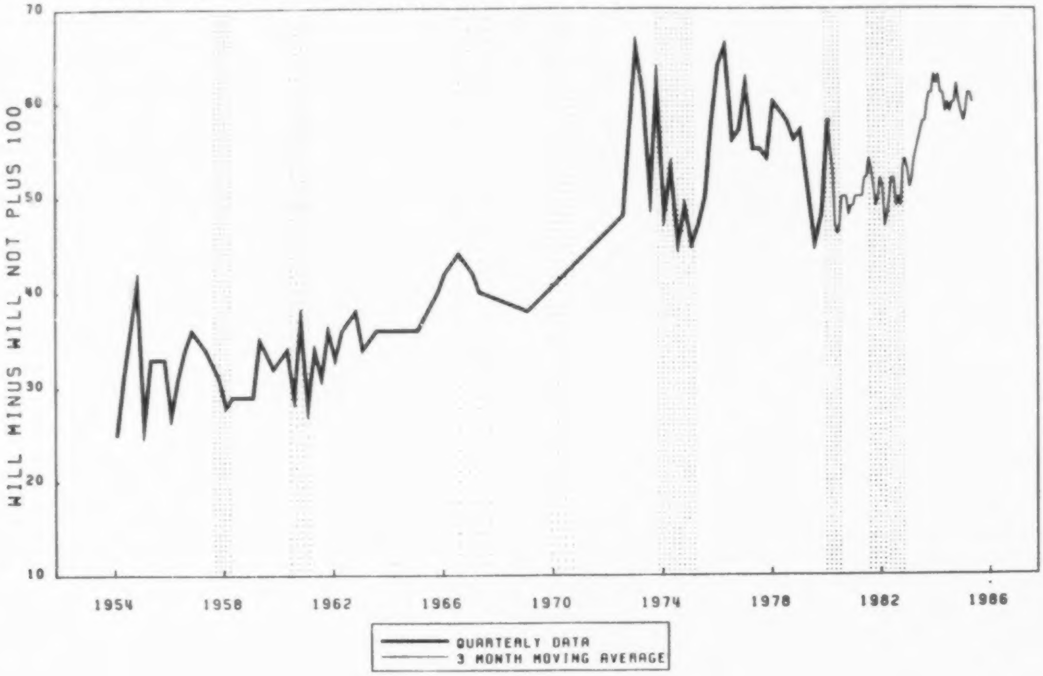


TABLE 32

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
PROBABLY WILL BUY	20%	20%	21%	22%	21%	21%	19%	20%	19%	20%	24%	18%	19%
CHANCES ARE EVEN	9	9	7	8	8	9	9	9	9	8	7	9	7
PROBABLY WILL NOT BUY	61	59	64	60	60	59	63	60	62	61	56	61	64
DK,NA	10	12	8	10	11	11	9	11	10	11	13	12	10
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	656	693	690	706	710	704	640	655	653	675	661	652

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
PROPORTION WITH CURRENT PURCHASE INTENTIONS:	29%	29%	28%	30%	29%	30%	28%	29%	28%	28%	31%	27%	26%
PURCHASE TYPE:													
Buy new	16	15	15	14	15	15	13	17	15	14	17	14	14
Buy used	11	12	11	13	12	13	13	11	11	13	12	12	10
Lease	1	2	1	2	2	1	1	1	1	1	1	1	2
DK,NA	1	*	1	1	*	1	1	*	1	*	1	*	*
PURCHASE TIMING:													
Next 3 months	2	7	3	1	6	5	3	5	4	2	8	5	1
Next 4-6 months	8	6	5	8	6	7	6	8	9	8	9	7	8
Next 7-9 months	9	3	4	5	7	7	10	7	8	11	6	7	6
10 months or more	4	7	8	10	4	8	7	5	4	5	3	5	6
DK,NA	6	6	8	6	6	3	2	4	3	2	5	3	5

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985
PROPORTION WITH FUTURE PURCHASE INTENTIONS:	61%	59%	64%	60%	60%	59%	63%	60%	62%	61%	56%	61%	64%
PURCHASE TYPE:													
Would buy new	36	35	33	34	31	33	34	35	32	35	34	36	37
Would buy used	24	22	29	25	27	25	28	25	28	25	21	25	26
DK,NA	1	2	2	1	2	1	1	*	2	1	1	*	1
PURCHASE TIMING:													
Less than 2 years	7	5	8	5	7	7	7	8	9	6	5	7	8
2 years	21	18	25	21	21	20	23	18	19	21	21	21	24
3 years	8	10	8	11	10	9	10	9	10	10	11	13	10
4 years or more	17	18	15	17	16	17	15	19	17	19	14	16	16
Indefinite	2	3	3	2	1	2	3	2	2	2	1	1	2
DK,NA	6	5	5	4	5	4	5	4	5	3	4	3	4

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

CHART 1 - RECENT CHANGES

THE INDEX OF CONSUMER SENTIMENT

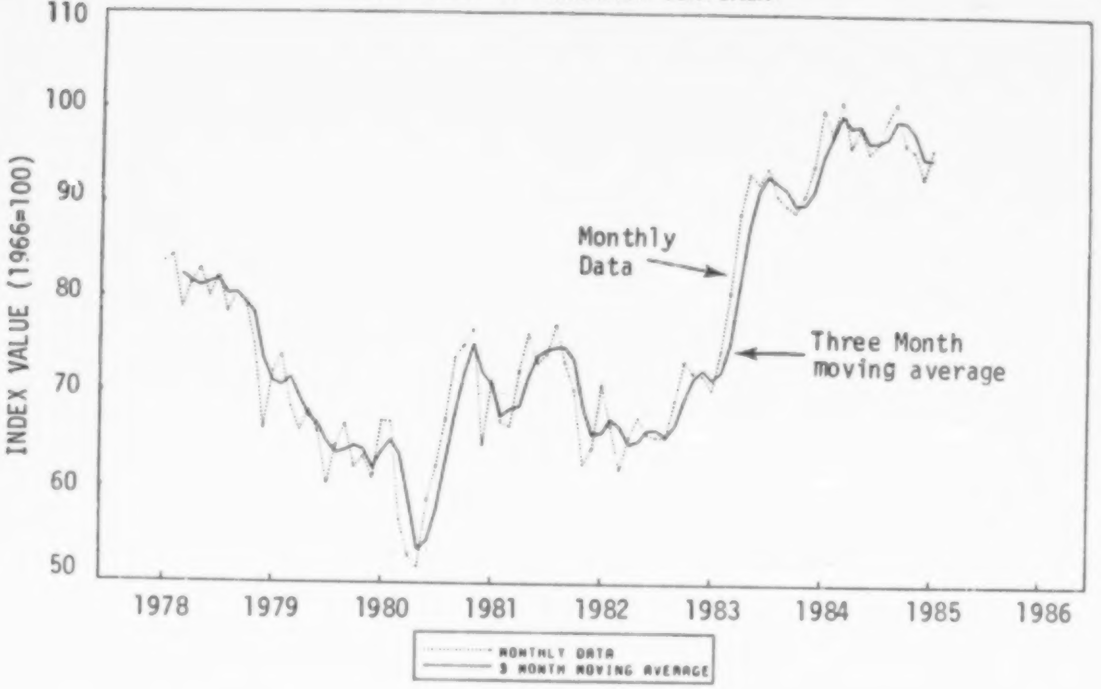
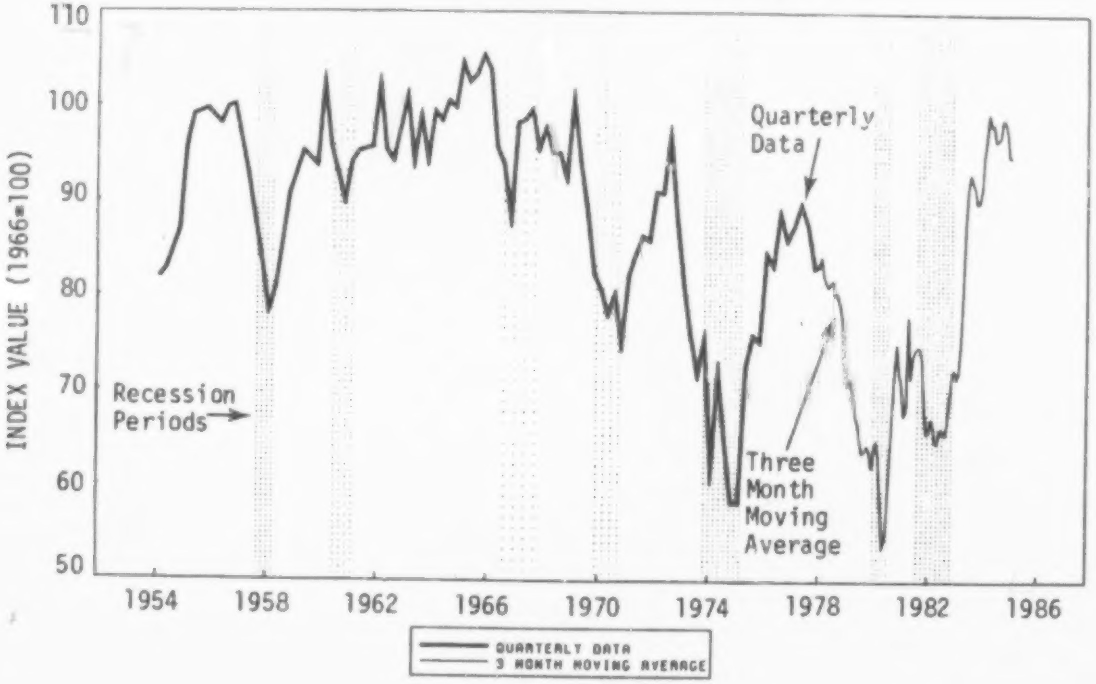


CHART 1 - HISTORICAL SERIES

THE INDEX OF CONSUMER SENTIMENT



DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES: November 1948 - October 1949
July 1953 - May 1954
August 1957 - April 1958
April 1960 - February 1961
June 1966 - November 1967*
December 1969 - November 1970
November 1973 - March 1975
January 1980 - July 1980
July 1981 - November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

Reported Percentages	Number of Interviews		
	700[b]	1,400[c]	2,100[d]
50	4.2	3.2	2.8
30 or 70	3.8	2.9	2.5
20 or 80	3.4	2.6	2.2
10 or 90	2.5	1.9	1.6
5 or 95	1.8	1.4	1.2

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

7/9/85

U7475-2A

July 3, 1985

JUNE 1985 MONTHLY REPORT

Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

OPTIMISM PERSISTS

- In the June 1985 survey, the Index of Consumer Sentiment was 96.5, up from 91.8 one month earlier, and just 4.5 Index-points below the 1984 cyclical peak of 101.0. The Index has remained at very favorable levels for over two years, with the June 1985 reading just above the 95.5 recorded in June 1984 and the 92.2 recorded in June 1983. This represents the longest period of sustained optimism since the 1960s. Recent declines in interest rates have heightened favorable buying attitudes and supported a more favorable outlook for the economy as a whole.

- Among families with incomes of $25,000 or more, the Index was 104.3 in the June 1985 survey, up from 100.3 in May, and nearly equal to the 104.5 recorded in June 1984.

- Lower interest rates and favorable perceptions of market prices have maintained buying attitudes at record favorable levels. In the June 1985 survey, two-thirds of all families favorably rated current buying conditions for homes, vehicles, and large household durables. The June improvement was concentrated in attitudes toward home buying conditions, with half of all families mentioning the current availability of reduced mortgage rates.

- Although consumers expected slow economic growth during the year ahead in the June survey, they expected it to be accompanied by low rates of inflation, and only lead to small increases in unemployment. This outlook for slow but sustained growth, given the economic turbulence of past years, has supported the view that good times financially would continue in the country as a whole.

- Consumers' evaluations of their personal financial situation remained at favorable levels in the June 1985 survey, despite slower income growth. Among all families, 43 percent reported financial improvement during the past year, and 36 percent expected improvement during the year ahead. Importantly, just 9 percent of all families expected their financial situation to worsen during the year ahead.

- A favorable financial situation coupled with declines in interest rates supported consumers' willingness to use credit to finance major purchases. In the second quarter of 1985, 30 percent of all families reported their willingness to use credit, the highest proportion in nearly a decade.

• • •

The persistence of consumer sentiment at very favorable levels points toward the maintenance of consumer sales at high levels through the start of 1986. Recent declines in interest rates on vehicle and mortgage loans have reestablished buying attitudes to cyclical peak levels. And despite slower income growth, consumers remain willing to use accumulated savings as well as to incur new debt in order to make major purchases.

Monitoring Economic Change Program
Institute for Social Research • P.O. Box 1248 • Ann Arbor, Michigan 48106-1248 • (313) 763-5224

Lower Interest Rates Lures Buyers

Declines in mortgage interest rates have prompted very favorable attitudes toward buying condition for homes. In the June 1985 survey, favorable home buying attitudes were held by 67 percent of all families, up from 61 percent one month earlier and 55 percent one year earlier. The 67 percent recorded in June set a new record level, just above the earlier record of 66 percent, first recorded in June 1983 and again in early 1984.

In support of these very favorable views, more families than ever before cited the current availability of lower interest rates on mortgage loans. In the June 1985 survey, 50 percent of all families spontaneously mentioned the availability of lower mortgage rates, up sharply from 35 percent one month earlier, and 21 percent one year earlier (see Table A). References to high mortgage rates as a cause for postponement fell to 17 percent in June 1985, from 33 percent one year earlier. And fewer families cited the advantages of borrowing-in-advance of rising mortgage rates in June 1985 (6 percent) than in June 1984 (17 percent).

Lower interest rates on vehicle loans have also kept car buying attitudes at very favorable levels. Among all families in the June 1985 survey, 67 percent held favorable car buying attitudes, just below the all-time peak of 68 percent recorded two months earlier. The availability of lower interest rates on vehicle loans was cited by 32 percent of all families in the June 1985 survey, up from 25 percent one month earlier and 12 percent one year earlier. Just 4 percent of all families complained about high interest rates on vehicle loans in the June 1985 survey, the lowest level recorded in more than five years.

In addition to favorable credit conditions, favorable perceptions of market prices for vehicles have also supported positive buying attitudes. In the June 1985 survey, references to the availability of price discounts were reported by 26 percent of all families, compared with 17 percent that registered complaints about high vehicle prices.

Favorable attitudes toward market conditions for large household durables were held by 74 percent of all families in the June 1984 survey, just below the record 77 percent recorded two months earlier. The primary factor underlying these very positive buying attitudes has been favorable perceptions of market prices for household durables. In the June 1985 survey, 39 percent of all families cited the availability of price discounts on household durables, up from 34 percent one month earlier. Just 10 percent of all families complained about high prices for household durables in the June survey.

Interest Rate Expectations Improve

The proportion of families that expected increases in interest rates during the year ahead fell to 36 percent in the June 1985 survey, from 64 percent one year earlier. Although increases in interest rates are much less frequently expected, more families now expect interest rates to remain at about current levels than expect declines during the year ahead. The proportion of families that expected interest rates to remain largely unchanged at current levels was 36 percent in June 1985 (up from 24 percent one year earlier), while interest rate declines were expected by 26 percent (up from 10 percent one year earlier).

Economic Outlook:
Slow growth, no recession

The majority of families in the June 1985 survey thought that the economy had improved during the past year (56 percent), and the majority expected the continuation of that same slow pace of economic growth during the year ahead (57 percent). Very few consumers expected overall declines in the general economy during the year ahead in the June 1985 survey (12 percent). Compared with the volatile economy of the 1970s, this outlook for slow but sustained economic growth was viewed by the majority as meaning good times financially would prevail for the economy as a whole during the year ahead (59 percent).

Underlying the positive evaluations of the general economy was the expected continuation of low rates of inflation, while the concerns expressed with slow economic growth primarily involved limited job prospects. On average, consumers expected an annual rate of inflation of 5.0% in the June 1985 survey, just above the 4.8% recorded one year earlier. Consumer price expectations have remained trendless, in the 4-5% range, for more than two years. The majority of consumers in the June 1985 survey (58 percent) as well as a year earlier (52 percent) expected the aggregate unemployment rate to remain at about its current level during the year ahead. Further declines in the unemployment rate were expected by only 16 percent of all families in the June 1985 survey, down from 24 percent one year earlier.

Personal Finances Remain Favorable

Slower income growth has caused personal financial attitudes to retreat by a small amount from the 1984 cyclical peaks, but they still remain more favorable than at the cyclical peak recorded in the late 1970s. Among all families in the June 1985 survey, 43 percent reported an improved financial situation, up from 40 percent in May, but below the 47 percent recorded one year earlier. A worsened financial situation was reported by 28 percent of all families in June 1985, up from 24 percent one month earlier and 21 percent one year earlier. When asked to explain how their financial situation had changed, the proportion of families that mentioned income increases rose to 35 percent from 32 percent one month earlier, but remained below the 39 percent recorded one year earlier. At the same time, reports of declines in family income rose to 16 from 14 percent.

The majority of families expected their financial situation to remain on balance unchanged during the year ahead in both the June 1985 and the June 1984 surveys (52 percent). An improved financial situation was expected by 36 percent of all families in the June 1985 survey, just above the 35 percent recorded one year earlier. Only 9 percent of all families expected their overall financial situation to worsen during the year ahead, down from 11 percent in June 1984.

The maintenance of personal finances at favorable levels, coupled with declines in interest rates have led consumers to be more willing to use credit to finance major purchases. In the second quarter 1985 surveys, 30 percent of all families reported that they were not reluctant to use credit, just above the 29 percent recorded one year earlier, and the highest level recorded in nearly a decade (see Table B). Willingness to use accumulated savings to make major purchases was reported by 40 percent of all families in the second quarter of 1985, just below the record 42 percent recorded one year earlier (see Table C).

• • •

The June 1985 survey included 652 completed interviews, conducted between June 1 and June 26, 1985.

TABLE A

REFERENCES TO INTEREST RATES IN SUPPORT OF FAVORABLE BUYING CONDITIONS

Survey Date	Durables		Houses[a]		Vehicles	
	Low Rates	BiA Rates	Low Rates	BiA Rates	Low Rates	BiA Rates
January 1980	1%	2%	na	na	1%	1%
February 1980	1	2	2	7	1	2
March 1980	1	4	na	na	1	2
April 1980	*	3	*	3	3	1
May 1980	*	2	3	3	*	1
June 1980	2	1	14	2	2	1
July 1980	4	1	17	6	2	1
August 1980	3	2	19	9	3	1
September 1980	1	2	11	11	2	2
October 1980	1	3	6	10	1	2
November 1980	*	2	2	8	1	2
December 1980	1	2	1	5	2	2
January 1981	*	2	1	3	4	1
February 1981	1	2	2	5	2	1
March 1981	1	*	1	4	1	1
April 1981	*	2	3	6	2	1
May 1981	1	2	4	3	3	1
June 1981	*	1	1	4	2	1
July 1981	1	1	2	4	2	1
August 1981	2	1	3	5	4	1
September 1981	*	1	3	3	4	2
October 1981	*	1	1	3	4	*
November 1981	1	1	2	2	5	*
December 1981	1	1	4	2	4	1
January 1982	2	1	5	3	4	2
February 1982	1	1	4	3	3	*
March 1982	*	1	3	2	3	*
April 1982	1	*	4	2	7	*
May 1982	2	1	3	3	10	1
June 1982	1	1	5	2	6	1
July 1982	1	1	2	2	4	1
August 1982	1	1	3	4	5	1
September 1982	3	1	16	4	9	1
October 1982	4	1	19	4	10	1
November 1982	5	*	25	5	19	1
December 1982	6	2	30	5	26	1

REFERENCES TO INTEREST RATES IN SUPPORT OF FAVORABLE BUYING CONDITIONS

Survey Date	Durables		Houses[a]		Vehicles	
	Low Rates	BiA Rates	Low Rates	BiA Rates	Low Rates	BiA Rates
January 1983	7%	*	33%	4%	27%	2%
February 1983	7	1	35	5	34	1
March 1983	7	1	38	6	33	1
April 1983	12	2	46	8	38	2
May 1983	12	1	49	6	38	2
June 1983	13	3	49	12	38	2
July 1983	14	2	40	9	34	3
August 1983	11	1	33	11	30	3
September 1983	9	3	35	12	25	3
October 1983	6	1	29	9	17	2
November 1983	6	2	29	11	20	2
December 1983	6	1	30	11	16	3
January 1984	8	1	33	8	20	3
February 1984	9	2	38	12	19	3
March 1984	8	2	36	13	19	3
April 1984	8	6	29	23	15	7
May 1984	7	4	24	20	14	4
June 1984	7	4	21	17	12	6
July 1984	5	5	21	16	16	8
August 1984	6	2	22	13	12	5
September 1984	6	2	22	12	11	4
October 1984	7	4	24	11	10	4
November 1984	8	3	33	11	15	3
December 1984	8	2	32	6	12	3
January 1985	10	1	42	7	21	2
February 1985	9	2	42	8	23	1
March 1985	8	2	38	10	21	2
April 1985	10	3	34	13	22	3
May 1985	9	2	35	8	25	3
June 1985	11	2	50	6	32	3

*Less than 0.5 percent.

[a] Also includes homes, home repairs and real estate.

NOTE: The proportions given above provide greater detail than is reported in the monthly tables (see Tables 27, 29 and 31). The monthly tables report the total proportion of respondents that made favorable references to credit conditions. The figures above divide this total into those respondents that referred to the current availability of low interest rates, and those that referred to buying-in-advance of rising interest rates.

TABLE B

OPINIONS ABOUT WHETHER IT IS A GOOD TIME TO USE CREDIT FOR MAJOR PURCHASES

	Use of Credit...						
Survey Date	OK; not reluctant	Pro-con	Not OK; reluctant	Don't know; NA	Total	# cases	Relative score
Jan-Mar 1976	20%	5%	74%	1%	100%	1184	46
Jan-Mar 1977	22	2	71	5	100	1203	51
Jan-Mar 1978	20	2	77	1	100	1135	43
Jan-Mar 1979	16	1	82	1	100	1228	34
Jan-Mar 1980	19	1	80	*	100	901	39
Jan-Mar 1981	12	*	86	2	100	2069	26
Jan-Mar 1982	13	1	85	1	100	2088	28
Jan-Mar 1983	17	1	79	3	100	1391	38
Jan-Mar 1984	29	*	69	2	100	2068	60
Apr-Jun 1984	29	*	69	2	100	1075	60
Jul-Sep 1984	27	*	72	1	100	2029	55
Oct-Dec 1984	27	1	71	1	100	2110	56
Jan-Mar 1985	28	*	71	1	100	1295	57
Apr-Jun 1985	30	*	69	1	100	1988	61

*Less than 0.5 percent.

The question was: "If there were something that you wanted to buy, do you think that now is a time when it would be O.K. for you to buy it on credit, or is now a time when you would be especially reluctant to take on new debt?"

TABLE C

OPINIONS ABOUT WHETHER IT IS A GOOD TIME TO USE SAVINGS FOR MAJOR PURCHASES

(Percentage distribution of families with savings)

	Use of Savings...						
Survey Date	OK; not reluctant	Pro-con	Not OK; reluctant	Don't know; NA	Total	# cases	Relative score
Jan-Mar 1976	33%	6%	59%	2%	100%	1184	74
Jan-Mar 1977	37	3	56	4	100	1097	81
Jan-Mar 1978	32	3	62	3	100	1135	70
Jan-Mar 1979	32	3	63	2	100	1228	69
Jan-Mar 1980	38	1	54	7	100	901	84
Jan-Mar 1981	28	2	68	2	100	1955	60
Jan-Mar 1982	27	2	70	1	100	1945	57
Jan-Mar 1983	29	1	66	4	100	1275	63
Jan-Mar 1984	40	*	57	3	100	1906	83
Apr-Jun 1984	42	*	56	2	100	1921	86
Jul-Sep 1984	40	1	58	1	100	1876	82
Oct-Dec 1984	36	1	62	1	100	1926	74
Jan-Mar 1985	36	1	62	2	100	1189	74
Apr-Jun 1985	40	*	59	1	100	1852	81

* Less than 0.5 percent.

The question was: "If there were a major purchase that you wanted to make, do you think now is a time when it would be O.K. to use some of your savings or is now a time when you would be especially reluctant to use some of your savings?"

8/12/85

U7475-2A

SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

TABLES AND CHARTS

JULY 1985

The July 1985 survey is the 202nd in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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TABLE OF CONTENTS

CHART/ TABLE	TITLE
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2	INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS
3	COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT
4	CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO
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7	TREND IN PERSONAL FINANCIAL SITUATION
8	EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS
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20	EXPECTED CHANGE IN UNEMPLOYMENT
21	EXPECTED CHANGE IN INTEREST RATES
22	CHANGE IN PRICES DURING THE LAST 12 MONTHS
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24	UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP
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30	BUYING CONDITIONS FOR CARS
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32	PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS
33	CURRENT VEHICLE PURCHASE INTENTIONS
34	FUTURE VEHICLE PURCHASE INTENTIONS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

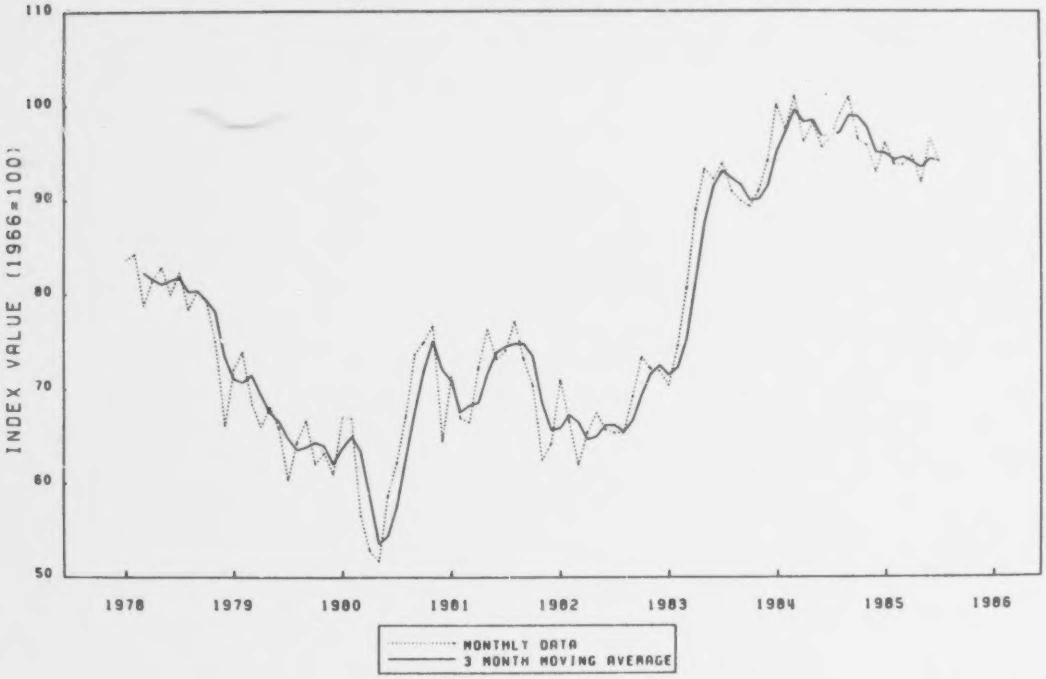


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

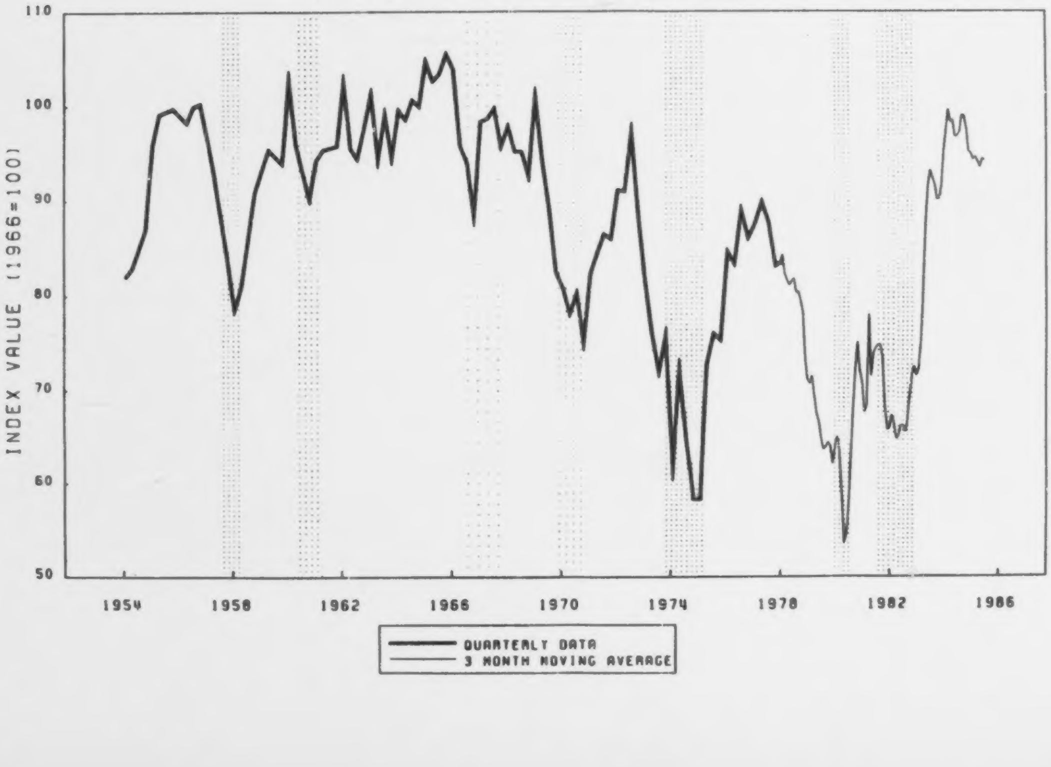


TABLE 1

THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY		All families	Families with incomes over $20,000	Families with incomes over $25,000
July	1982	65.4	68.9	69.2
August	1982	65.4	71.0	73.6
September	1982	69.3	78.4	81.1
October	1982	73.4	77.5	80.9
November	1982	72.1	79.3	81.1
December	1982	71.9	78.0	80.5
January	1983	70.4	78.2	78.8
February	1983	74.6	79.9	81.3
March	1983	80.8	88.4	88.9
April	1983	89.1	97.1	99.0
May	1983	93.3	99.6	101.0
June	1983	92.2	101.2	102.5
July	1983	93.9	104.4	106.5
August	1983	90.9	101.2	103.5
September	1983	89.9	99.0	102.3
October	1983	89.3	99.5	101.9
November	1983	91.1	97.2	98.8
December	1983	94.2	101.7	104.5
January	1984	100.1	112.0	114.2
February	1984	97.4	109.6	111.2
March	1984	101.0	110.9	114.2
April	1984	96.1	103.9	105.5
May	1984	98.1	105.6	107.1
June	1984	95.5	104.4	104.5
July	1984	96.6	103.2	102.8
August	1984	99.1	106.7	109.2
September	1984	100.9	109.7	111.7
October	1984	96.3	106.2	107.7
November	1984	95.7	108.6	111.0
December	1984	92.9	99.2	100.1
January	1985	96.0	104.1	106.7
February	1985	93.7	105.4	107.4
March	1985	93.7	106.5	108.8
April	1985	94.6	102.8	107.9
May	1985	91.8	99.5	100.3
June	1985	96.5	101.2	104.3
July	1985	94.0	100.0	102.6

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

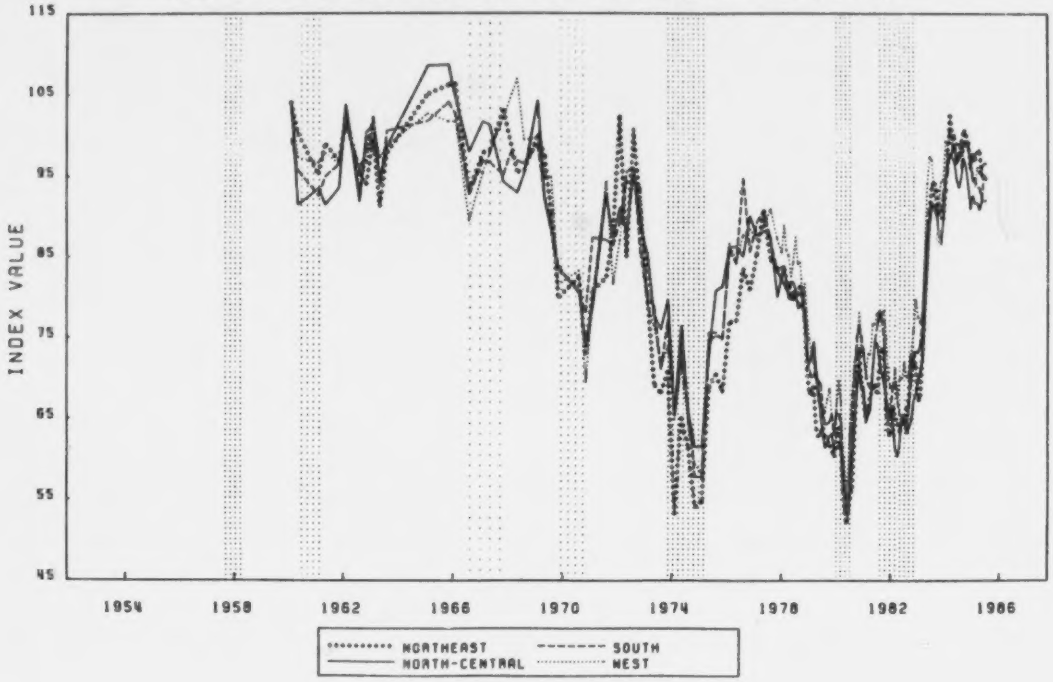


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

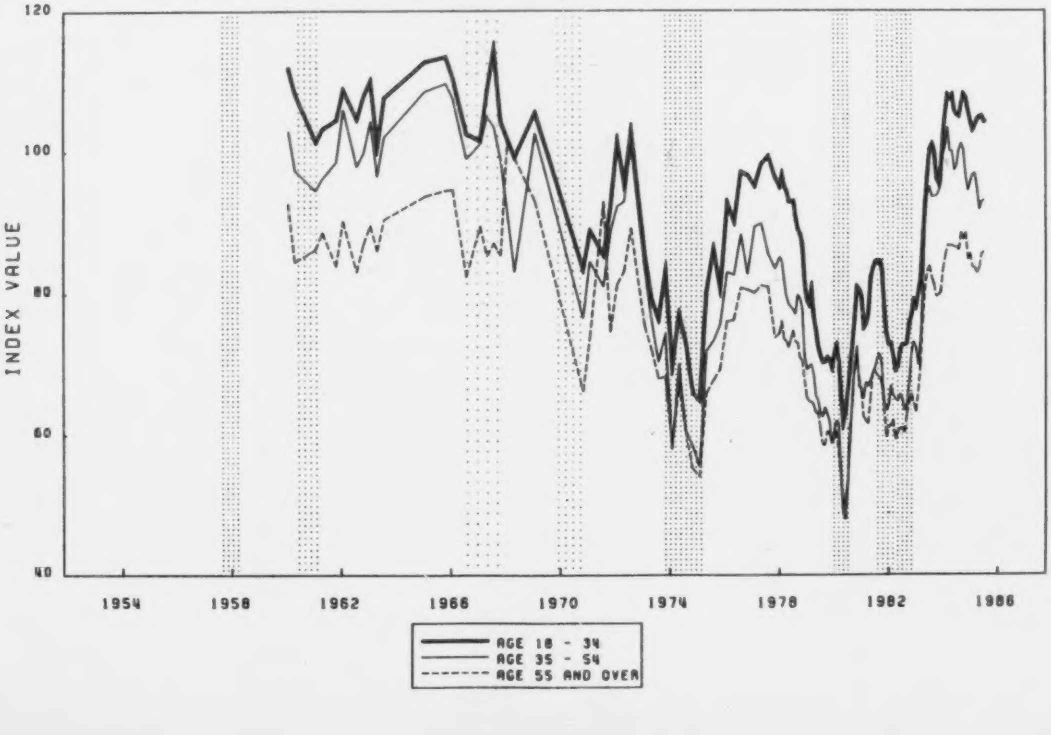


TABLE 2

INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

		CENSUS REGION				AGE OF RESPONDENT		
DATE OF SURVEY		North East	North Central	South	West	18-34	35-54	55+
July	1982	65.1	64.0	63.5	71.1	73.4	63.3	60.6
August	1982	68.1	60.6	64.0	70.6	72.6	62.9	60.2
September	1982	70.3	67.2	71.1	68.8	73.0	66.7	68.0
October	1982	77.8	66.2	74.1	79.3	81.2	72.1	65.5
November	1982	70.6	67.9	73.2	79.3	76.6	75.7	63.8
December	1982	66.1	70.0	72.5	80.4	78.9	71.7	64.2
January	1983	64.9	70.5	73.6	72.8	78.8	70.0	62.0
February	1983	72.1	72.3	75.8	77.2	82.1	68.3	72.4
March	1983	82.9	73.7	82.7	84.4	84.9	81.5	75.5
April	1983	89.1	88.0	87.2	95.6	95.8	90.5	80.5
May	1983	88.3	90.7	93.3	102.7	97.2	97.1	84.9
June	1983	95.1	88.7	92.5	94.1	97.8	94.4	83.9
July	1983	98.3	93.8	89.9	94.3	106.0	93.6	83.0
August	1983	89.6	92.0	91.3	89.6	99.2	92.9	80.0
September	1983	92.6	87.8	89.3	90.8	94.8	94.5	80.9
October	1983	89.9	83.7	91.5	93.5	94.2	93.8	77.8
November	1983	87.7	88.3	91.5	98.5	97.2	94.6	80.7
December	1983	91.4	96.2	95.2	92.2	102.3	97.5	81.8
January	1984	100.7	96.8	97.5	107.5	107.9	106.0	87.4
February	1984	102.3	98.4	93.5	97.1	106.2	98.9	86.5
March	1984	104.8	98.5	102.1	97.5	109.9	105.2	86.6
April	1984	92.5	95.3	98.2	99.3	106.5	95.9	87.0
May	1984	98.8	96.3	96.5	103.9	107.5	98.8	86.6
June	1984	100.1	92.1	95.0	93.7	103.0	97.1	85.9
July	1984	94.3	92.5	100.5	99.3	104.9	98.2	87.1
August	1984	103.1	100.2	97.5	95.4	106.8	105.3	85.2
September	1984	105.0	99.3	99.7	99.9	108.5	99.9	93.3
October	1984	92.5	89.4	100.9	101.7	108.9	95.5	84.2
November	1984	100.3	93.3	95.6	94.1	105.5	94.0	88.1
December	1984	94.8	90.3	93.4	94.0	102.9	94.1	82.2
January	1985	98.2	94.5	94.6	97.8	104.2	99.0	86.6
February	1985	97.9	90.4	96.6	89.7	102.0	97.0	82.3
March	1985	98.3	90.6	89.8	101.1	104.7	94.7	82.0
April	1985	98.1	91.7	94.8	95.3	106.9	92.9	84.3
May	1985	88.7	94.0	91.9	91.3	103.2	87.9	84.6
June	1985	97.7	90.4	99.0	103.6	105.0	97.8	87.9
July	1985	98.4	91.8	92.9	94.8	104.4	93.7	84.8

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

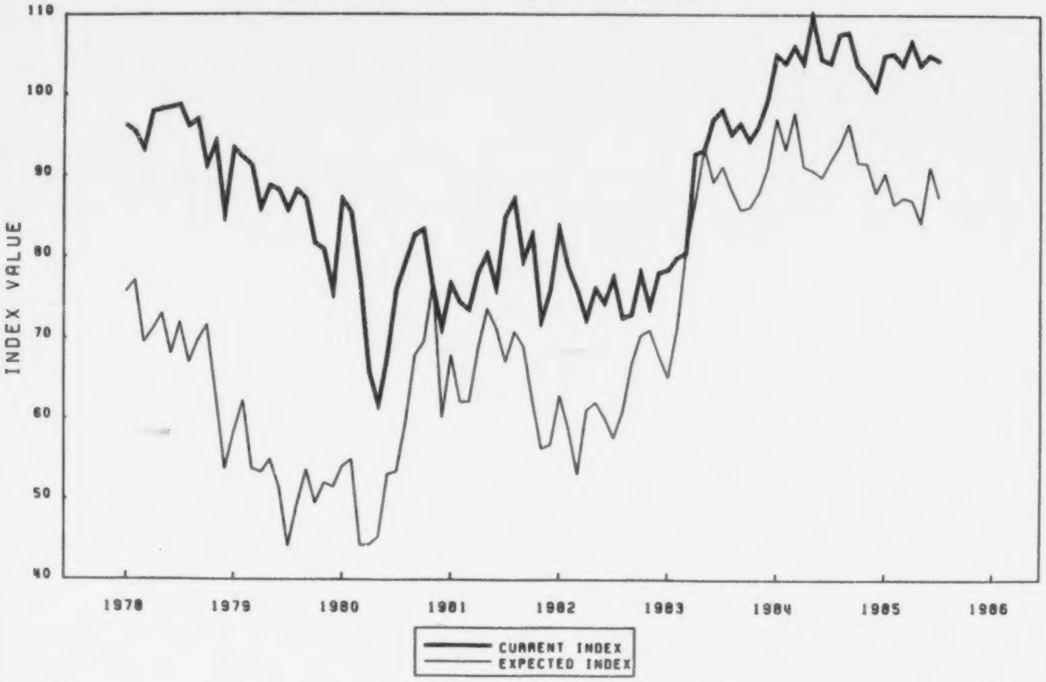


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS

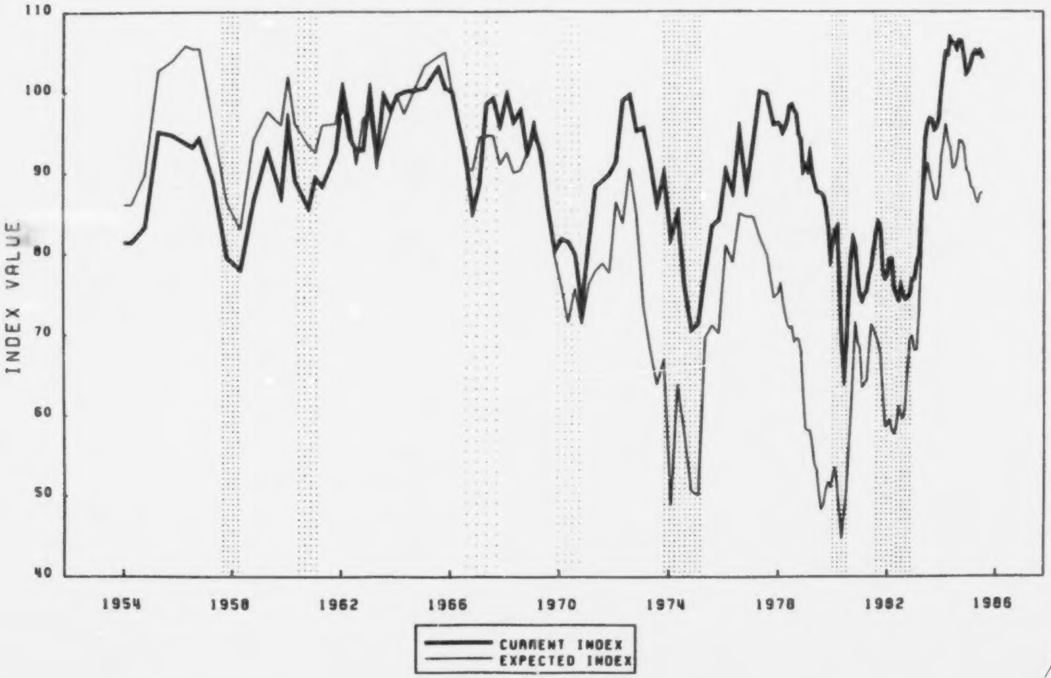


TABLE 3

COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

	INDEX COMPONENTS +						
	Personal finances		Business conditions				
	Current	Expected	12 months	5 years	Buying conds.	Current Index	Expected Index
DATE OF SURVEY	(1)	(2)	(3)	(4)	(5)	(1,5)	(2,3,4)
July 1982	90	113	53	63	110	77.5	57.6
August 1982	89	110	64	69	97	72.5	60.9
September 1982	89	116	76	74	98	72.9	66.9
October 1982	95	119	79	83	106	78.1	70.4
November 1982	85	121	77	86	105	73.8	71.0
December 1982	90	117	74	80	111	78.1	67.9
January 1983	91	115	76	69	111	78.4	65.2
February 1983	89	117	87	81	117	79.9	71.2
March 1983	92	126	113	85	115	80.5	80.9
April 1983	108	131	120	99	131	92.7	86.9
May 1983	101	137	139	100	139	93.1	93.4
June 1983	110	128	134	97	141	96.9	89.2
July 1983	111	126	136	104	143	98.1	91.1
August 1983	106	124	130	100	140	95.1	88.2
September 1983	109	125	125	95	140	96.4	85.8
October 1983	104	124	124	98	140	94.3	86.1
November 1983	111	127	129	98	138	96.1	87.9
December 1983	123	125	140	102	134	99.3	91.0
January 1984	117	129	154	108	155	104.9	97.0
February 1984	119	130	139	106	151	103.9	93.2
March 1984	122	135	146	113	153	106.0	97.7
April 1984	117	124	136	106	153	103.9	91.1
May 1984	121	129	131	105	164	109.8	90.6
June 1984	126	124	131	106	145	104.4	89.8
July 1984	117	124	133	113	152	103.9	91.9
August 1984	125	129	137	111	153	107.5	93.7
September 1984	125	131	142	116	154	107.8	96.4
October 1984	118	127	134	107	150	103.6	91.6
November 1984	121	129	132	107	144	102.4	91.5
December 1984	118	125	131	98	143	100.6	87.9
January 1985	119	124	135	104	153	104.9	90.3
February 1985	115	120	131	96	158	105.1	86.5
March 1985	112	123	133	96	156	103.7	87.3
April 1985	116	127	128	95	161	106.6	87.0
May 1985	116	120	121	97	152	103.7	84.2
June 1985	115	127	133	106	157	104.9	91.1
July 1985	116	124	129	98	154	104.3	87.4

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

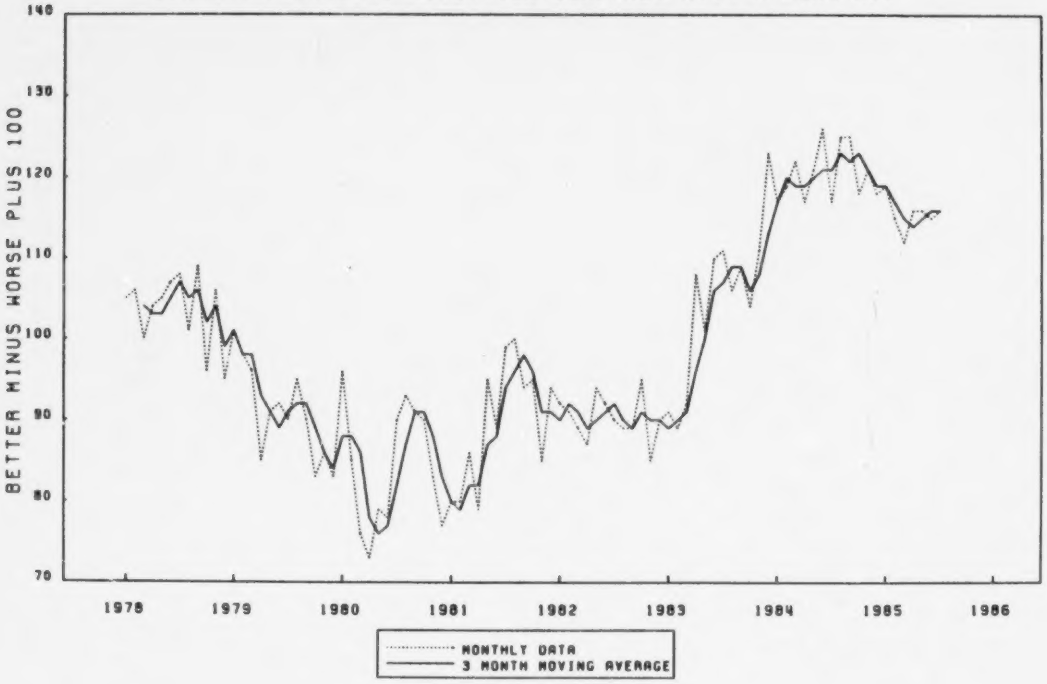


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

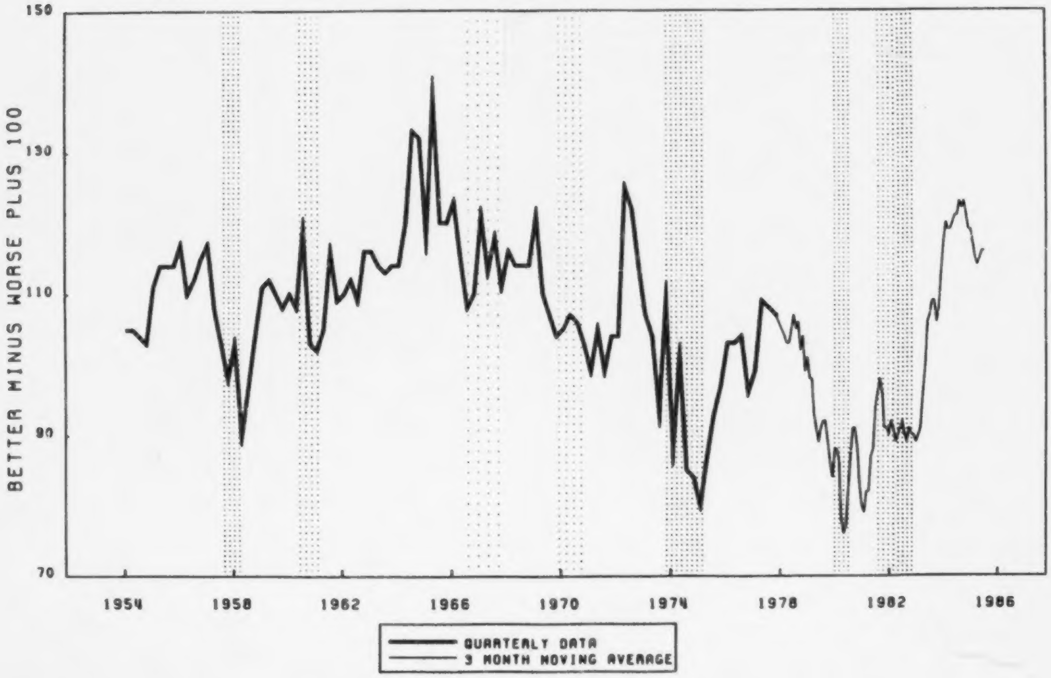


TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
BETTER OFF	42%	48%	45%	44%	46%	44%	42%	42%	40%	41%	40%	43%	42%
SAME	33	29	35	30	29	30	35	31	32	34	36	29	32
WORSE OFF	25	23	20	26	25	26	23	27	28	25	24	28	26
DK,NA	*	*	*	*	*	*	*	*	*	*	*	*	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

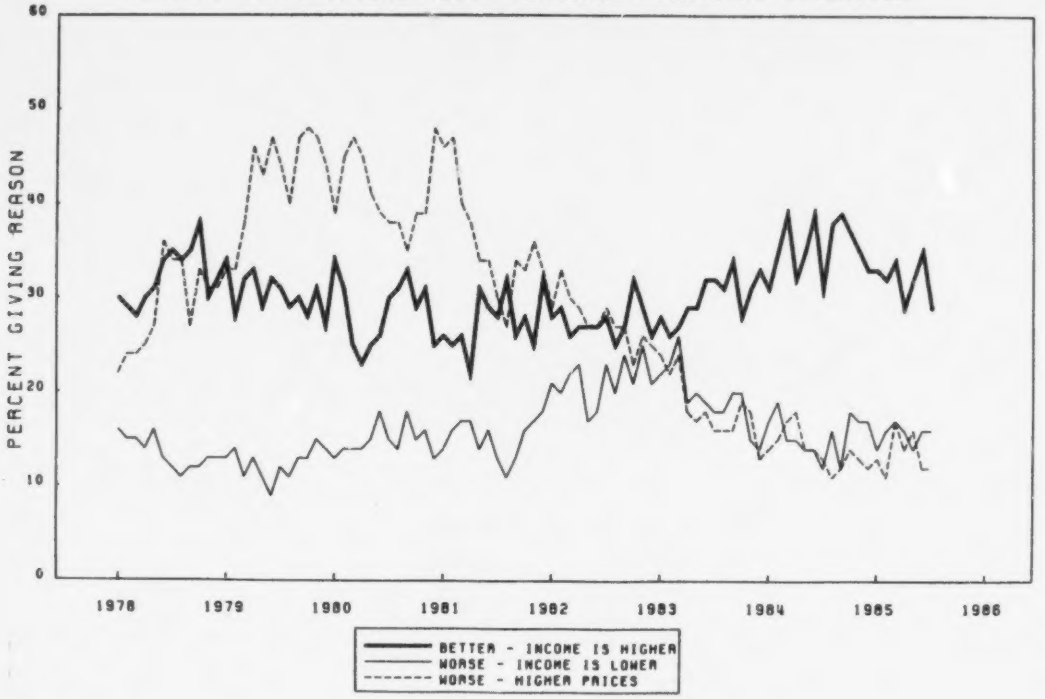


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

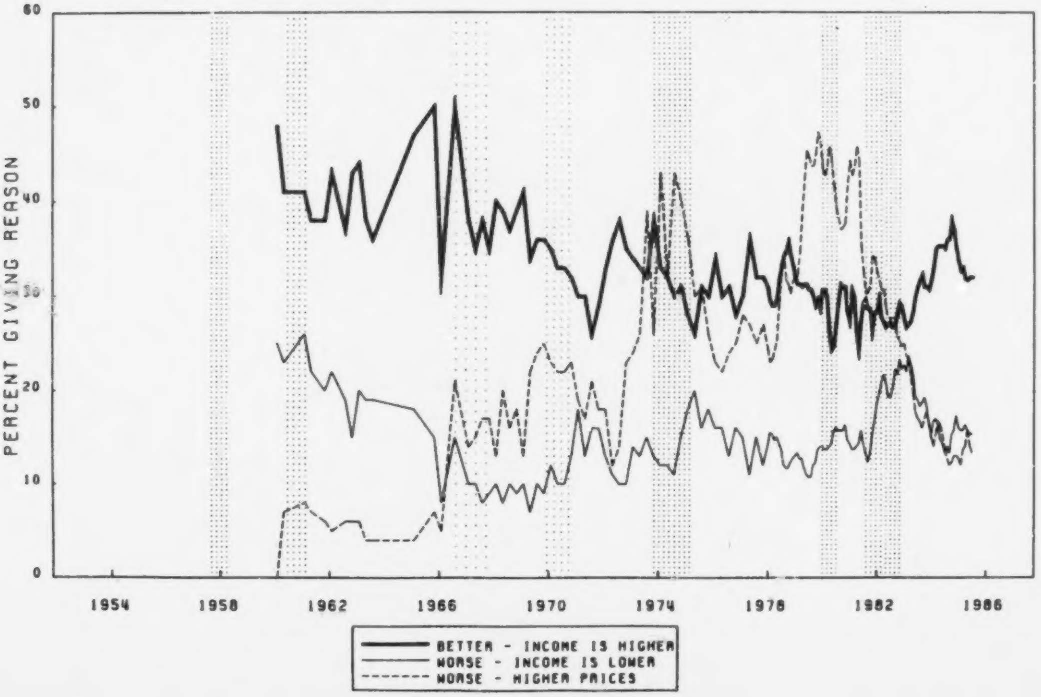


TABLE 5

SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
BETTER OFF THAN YEAR AGO:													
Income is higher	31%	38%	39%	37%	35%	33%	33%	32%	34%	29%	32%	35%	29%
WORSE OFF THAN YEAR AGO:													
Income is lower	12	16	12	18	17	17	14	16	17	16	14	16	16
Higher prices	13	11	12	14	13	12	13	11	17	14	16	12	12

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

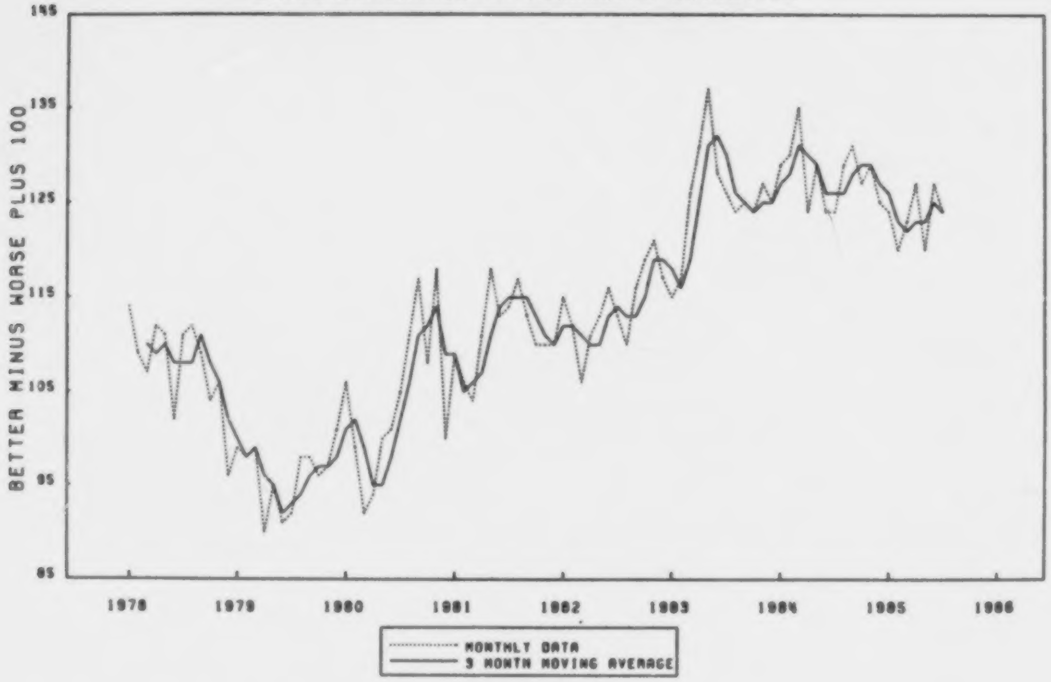


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION

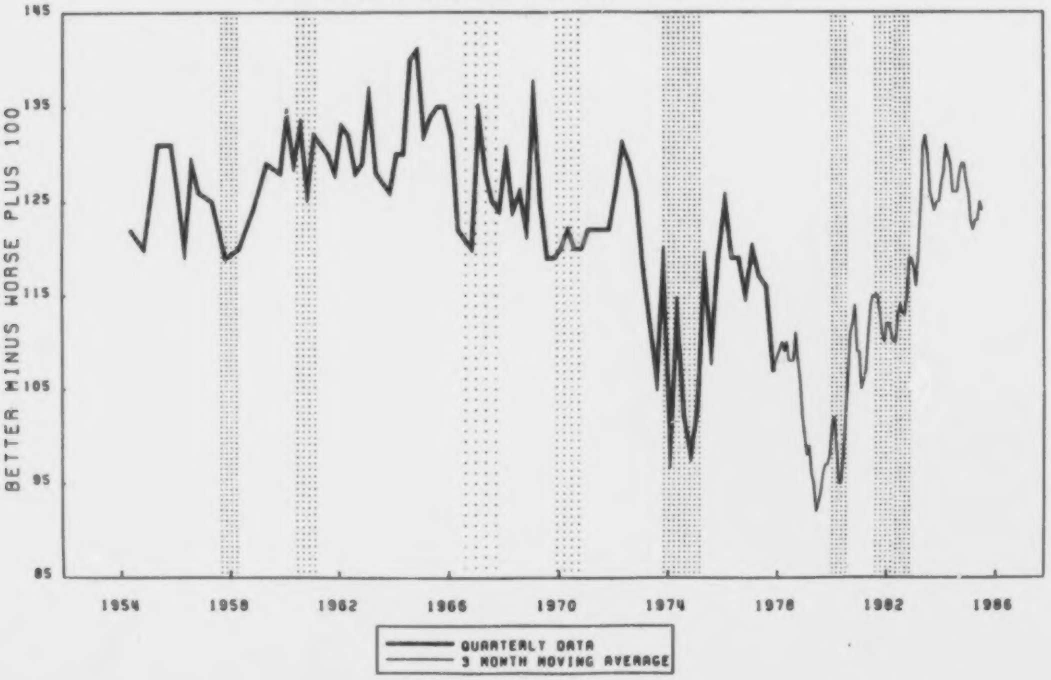


TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
BETTER OFF	34%	38%	39%	38%	39%	36%	35%	33%	36%	37%	34%	36%	35%
SAME	51	49	49	47	48	50	52	50	49	49	49	52	51
WORSE OFF	10	9	8	11	10	11	11	13	13	10	14	9	11
DK,NA	5	4	4	4	3	3	2	4	2	4	3	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

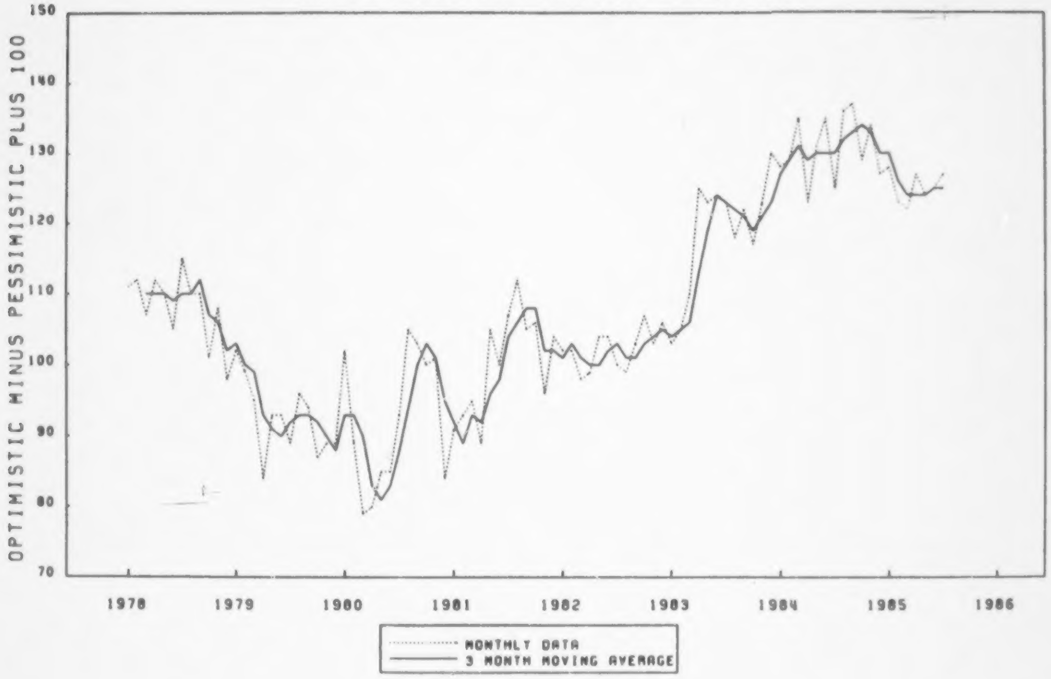


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION

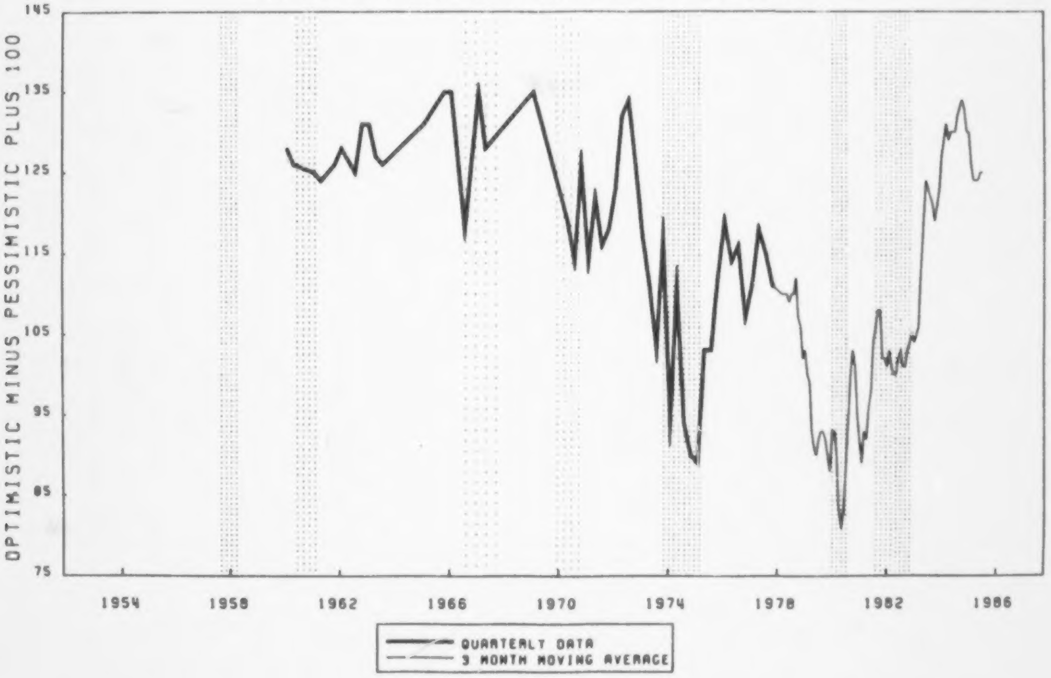


TABLE 7

TREND IN PERSONAL FINANCIAL SITUATION

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
PERSONAL FINANCIAL PROGRESS:													
Continuous increase (a)	22%	24%	25%	21%	21%	23%	19%	20%	20%	22%	20%	22%	20%
Intermittent increase (b)	24	30	28	28	32	25	28	24	26	26	26	25	26
Remain unchanged (c)	21	17	20	17	15	19	22	20	18	20	21	19	21
Intermittent decline (d)	16	13	12	15	14	15	15	15	18	16	16	17	13
Continuous decline (e)	5	5	4	5	5	6	4	6	6	5	6	5	6
Mixed change (f)	7	8	7	10	10	9	9	12	10	8	8	9	10
DK,NA	5	3	4	4	3	3	3	3	2	3	3	3	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME

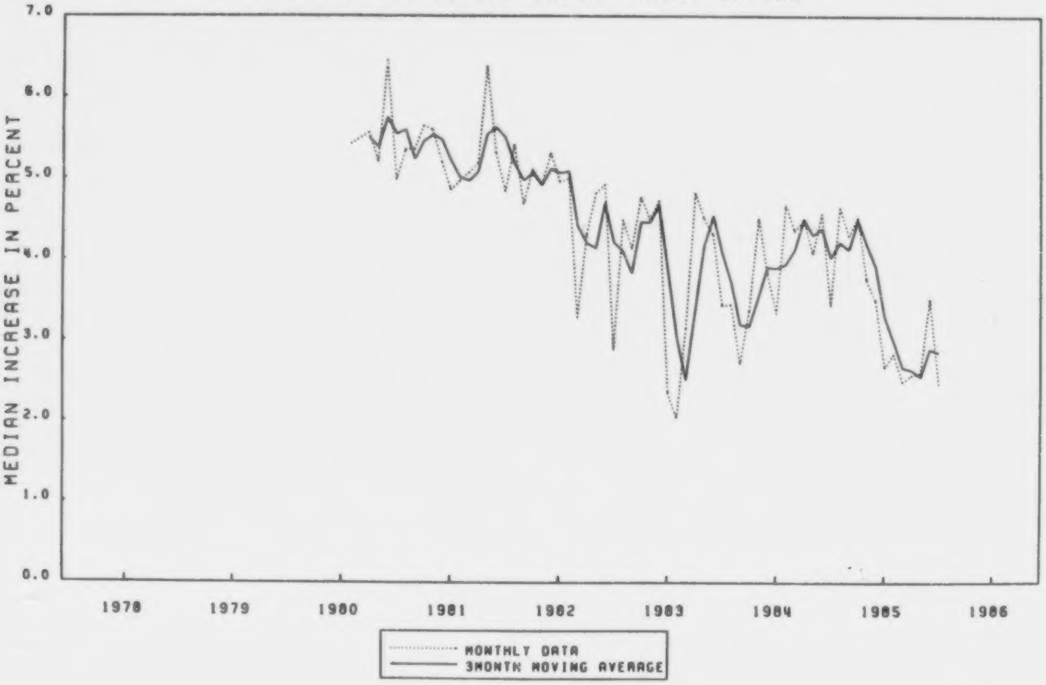


CHART 8 - HISTORICAL SERIES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME

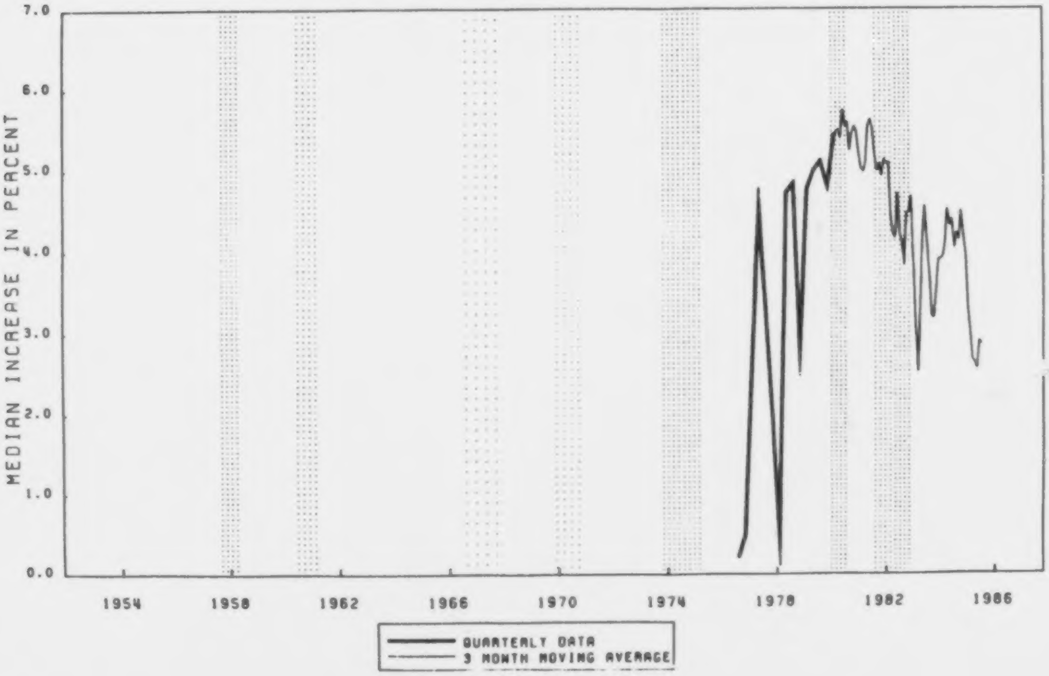


TABLE 8

EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
EXPECT INCREASE:													
1-4%	17%	13%	15%	10%	13%	12%	12%	14%	12%	11%	16%	11%	13%
5%	12	11	10	10	9	10	9	11	11	9	9	11	11
6-9%	8	11	10	8	7	8	9	6	7	7	5	7	7
10-24%	17	18	18	20	19	17	17	16	13	17	16	16	14
25% or more	6	7	7	8	8	7	6	7	8	8	7	10	6
DK how much up	4	3	4	5	6	7	3	3	4	3	4	4	3
EXPECT SAME	23	24	23	25	23	23	27	26	29	30	28	26	28
EXPECT DOWN	11	11	11	12	13	15	16	16	15	14	13	14	16
DK,NA	2	2	2	2	2	1	1	1	1	1	2	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

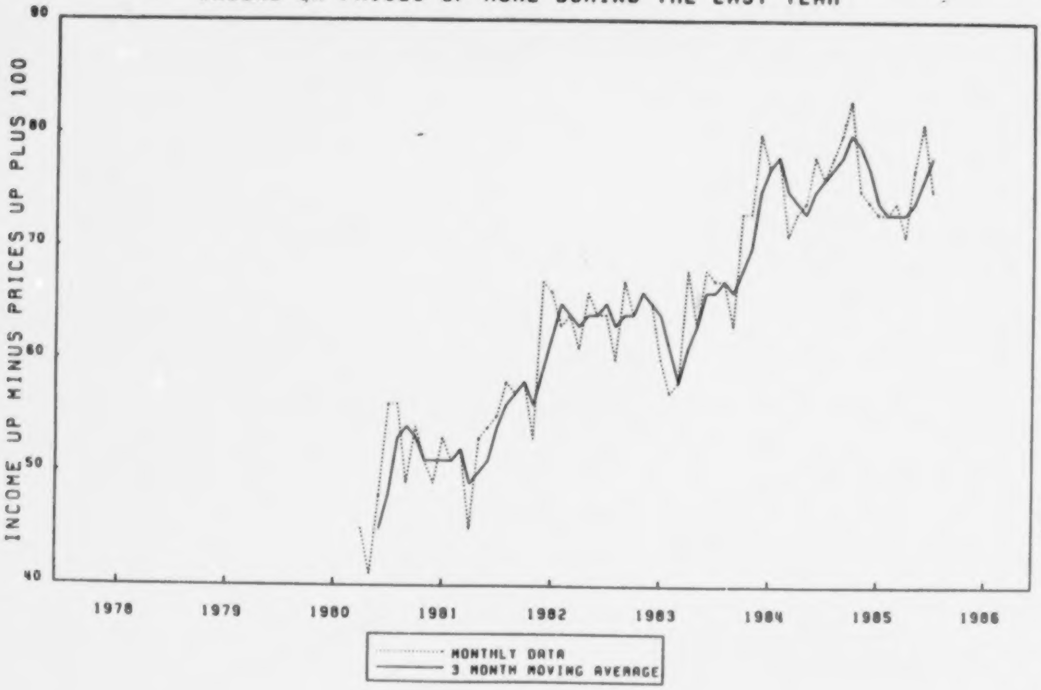


CHART 9 - RECENT CHANGES
INCOME OR PRICES UP MORE DURING THE LAST YEAR

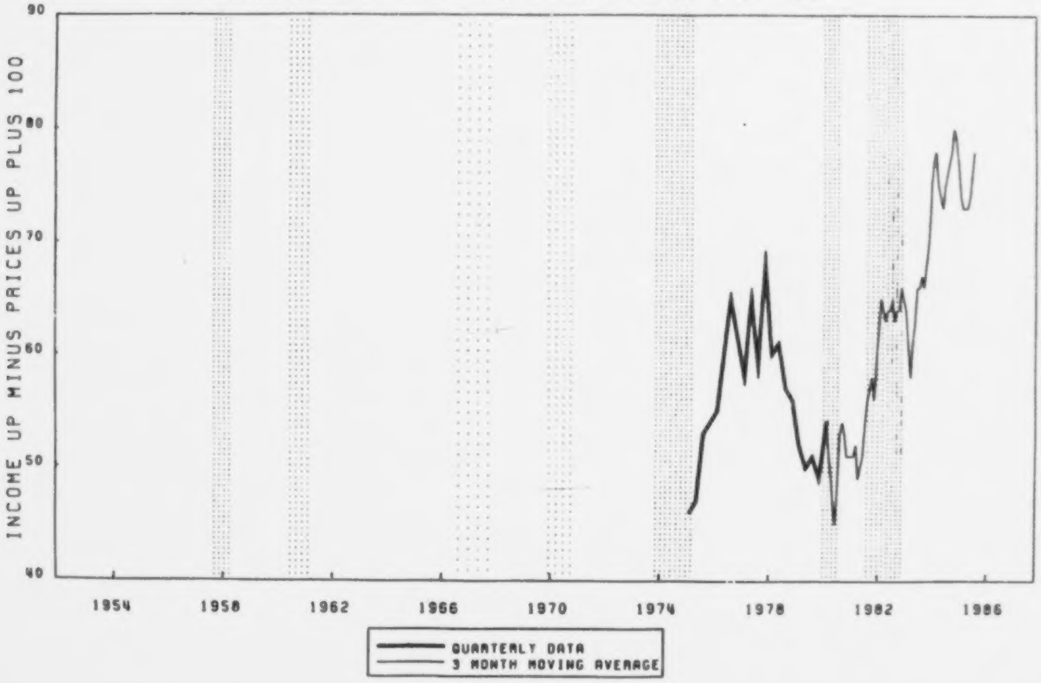


CHART 9 - HISTORICAL SERIES
INCOME OR PRICES UP MORE DURING THE LAST YEAR

TABLE 9

PAST CHANGE IN REAL FAMILY INCOME

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
INCOME UP MORE	21%	21%	22%	25%	21%	19%	16%	19%	19%	18%	22%	22%	19%
INCOME UP SAME	33	34	36	31	31	35	40	34	35	34	32	35	36
PRICES UP MORE	45	43	42	42	46	45	43	46	45	47	45	41	44
DK,NA	1	2	*	2	2	1	1	1	1	1	1	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

* : Less than half of one percent.

CHART 10 - RECENT CHANGES
INCOME OR PRICES UP MORE NEXT YEAR

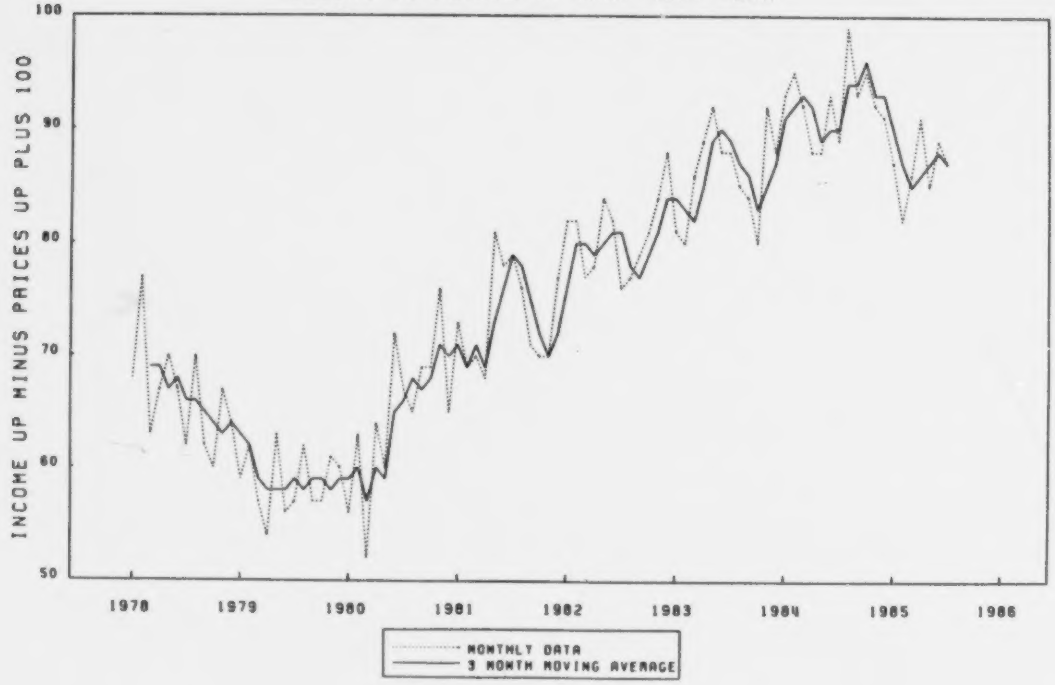


CHART 10 - HISTORICAL SERIES
INCOME OR PRICES UP MORE NEXT YEAR

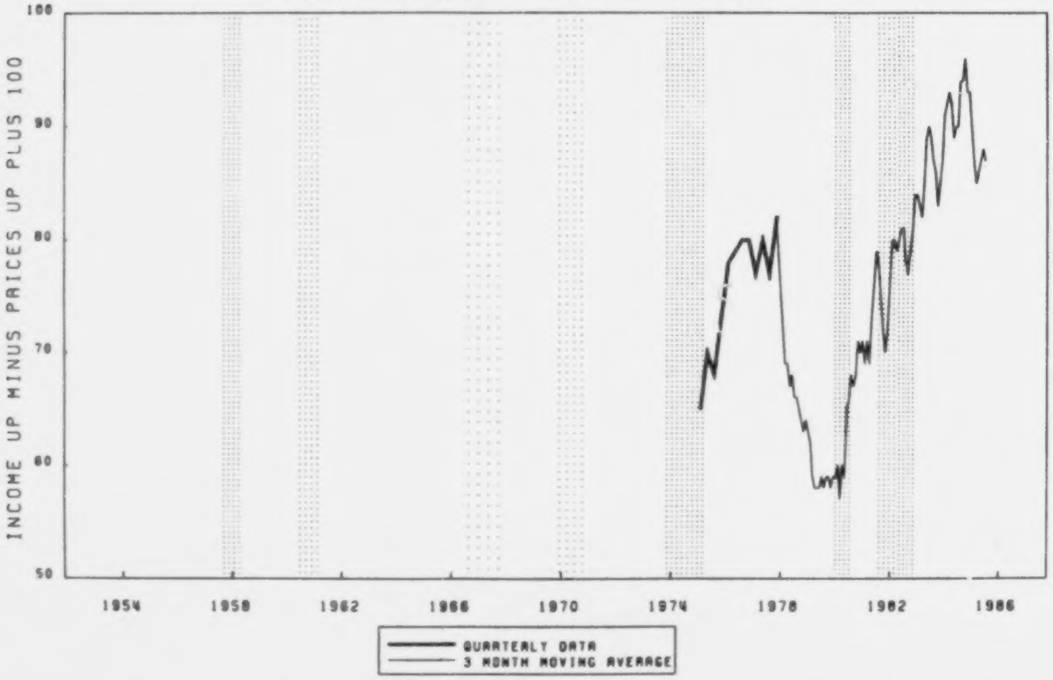


TABLE 10

EXPECTED CHANGE IN REAL FAMILY INCOME

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
INCOME UP MORE	22%	25%	23%	25%	23%	21%	20%	20%	18%	23%	22%	19%	19%
INCOME UP SAME	41	45	44	43	44	46	45	40	49	42	39	48	47
PRICES UP MORE	33	26	30	30	31	30	33	38	32	32	37	30	32
DK,NA	4	4	3	2	2	3	2	2	1	3	2	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON

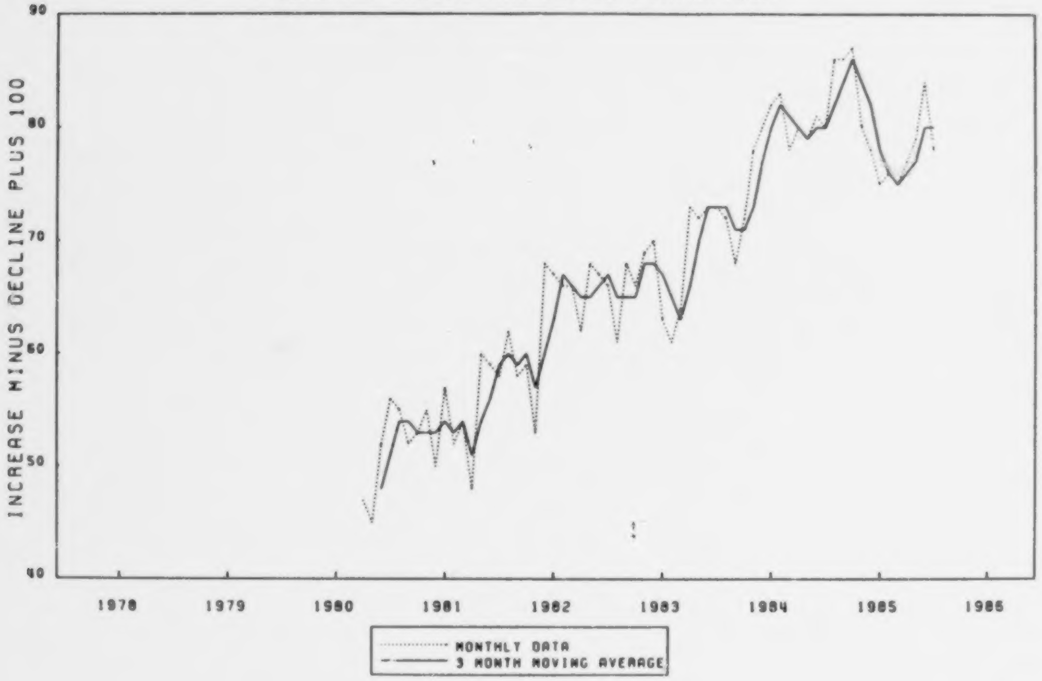


CHART 11 - HISTORICAL SERIES
TREND IN INCOME AND PRICE COMPARISON

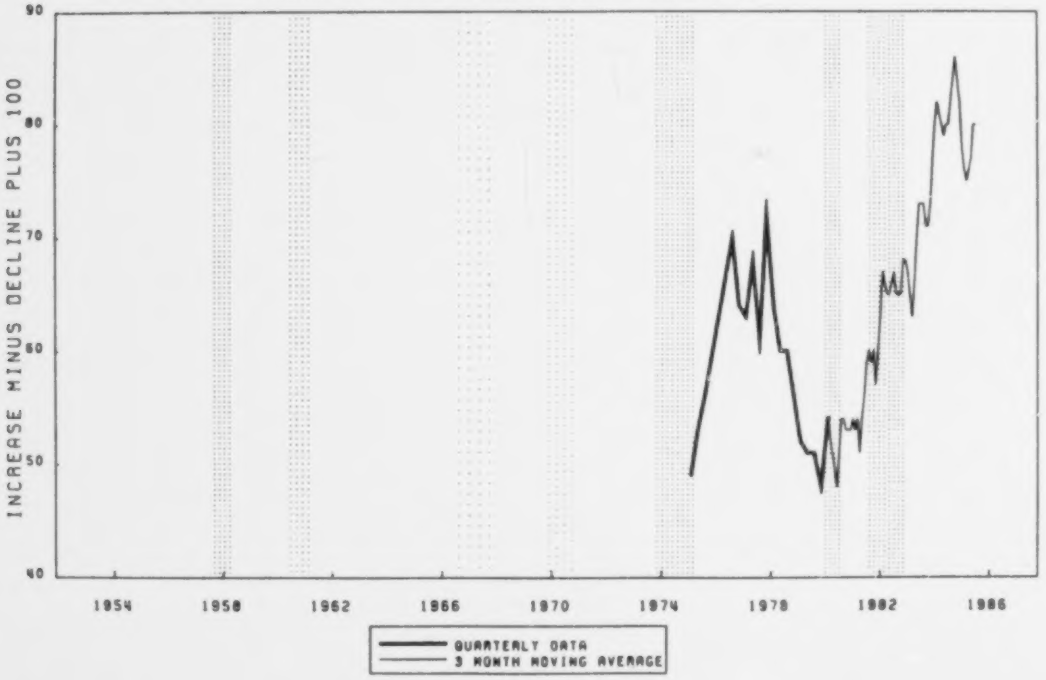


TABLE 11

TREND IN FAMILY INCOME AND PRICES COMPARISONS

	July 1984	Aug 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
REAL INCOME PROGRESS:													
Continuous increase (a)	10%	12%	12%	14%	12%	10%	8%	10%	9%	11%	12%	9%	8%
Intermittent increase (b)	14	15	16	14	14	12	13	14	14	11	13	17	14
Remain unchanged (c)	20	21	22	20	19	23	24	20	23	22	20	22	24
Intermittent decline (d)	20	22	20	18	22	22	23	19	24	20	18	20	21
Continuous decline (e)	24	19	22	23	24	22	23	29	24	25	28	22	23
Mixed change (f)	8	6	5	7	6	8	6	6	4	7	7	6	7
DK,NA	4	5	3	4	3	3	3	2	2	4	2	4	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART12 - RECENT CHANGES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

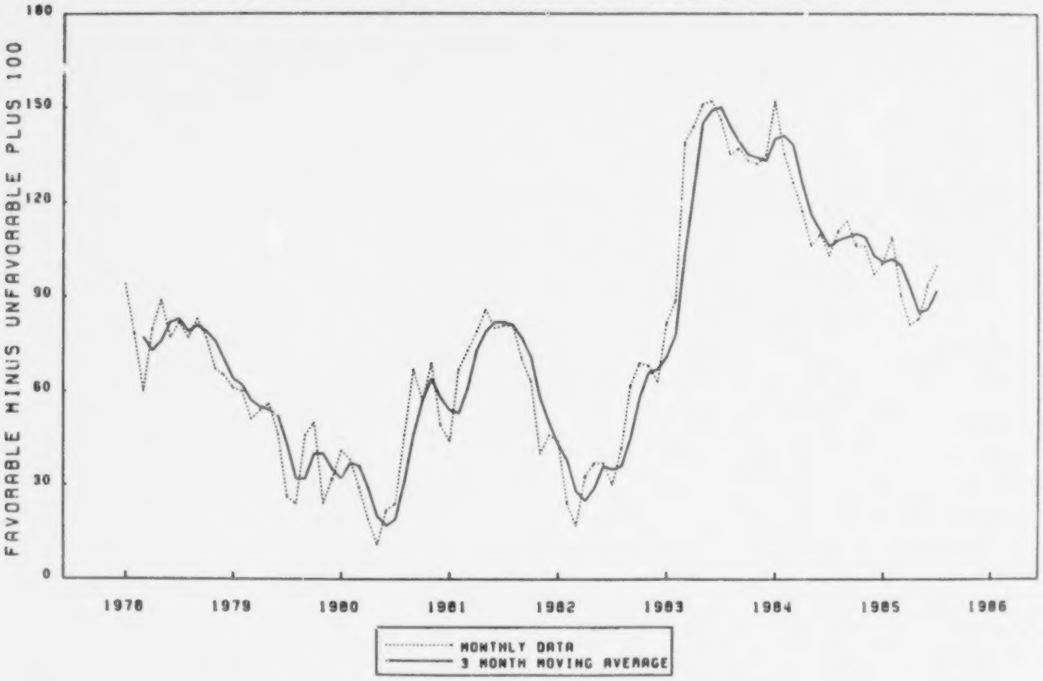


CHART12 - HISTORICAL SERIES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

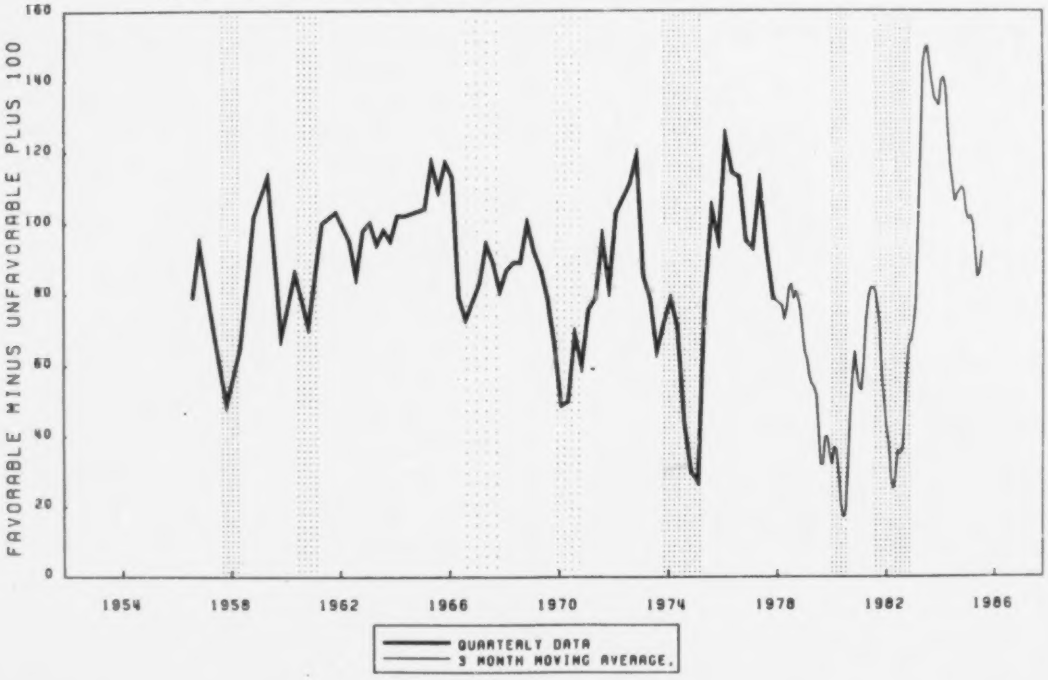


TABLE 12

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
FAVORABLE NEWS	42%	51%	52%	44%	41%	39%	43%	50%	35%	30%	30%	37%	40%
UNFAVORABLE NEWS	39	40	38	38	35	42	42	41	45	49	47	43	40
NO MENTIONS	46	39	41	44	49	46	44	41	48	49	48	50	46

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

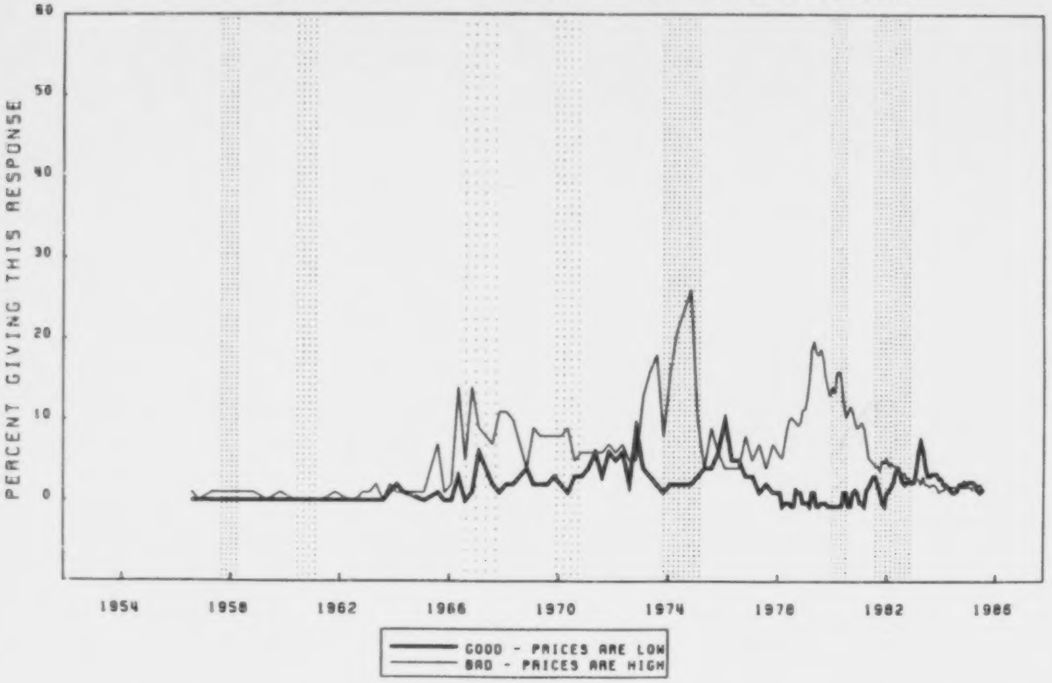


CHART 13B - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

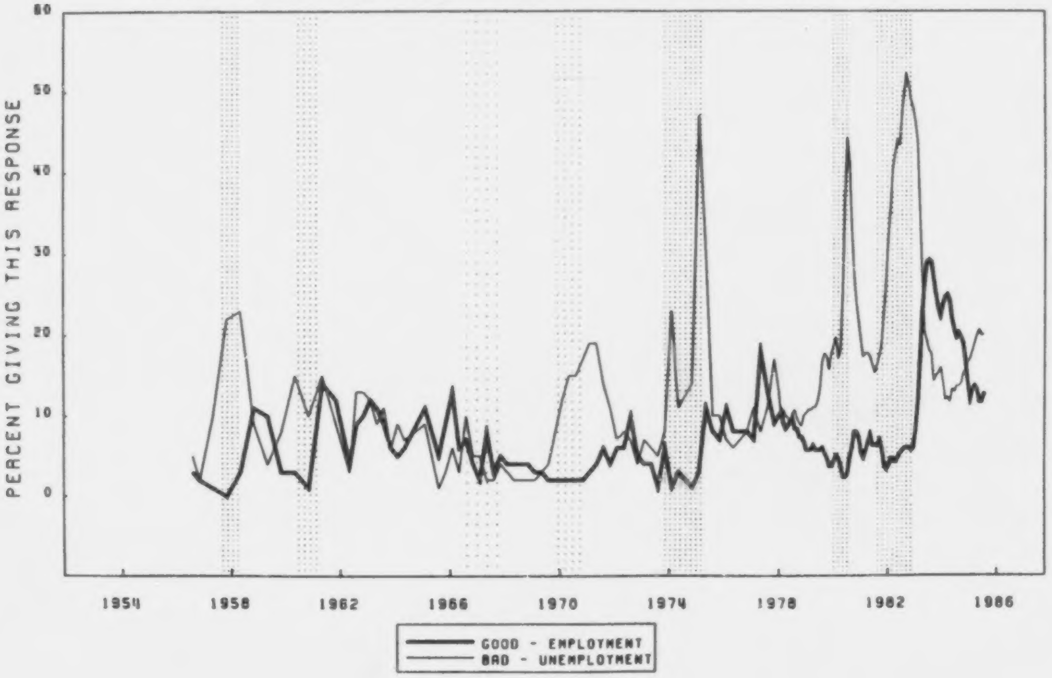


TABLE 13

SELECTED ITEMS OF NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
FAVORABLE NEWS:													
Government; elections	2%	2%	3%	1%	2%	3%	4%	3%	2%	1%	2%	5%	2%
Employment	20	20	19	18	13	11	12	17	12	11	12	12	14
Consumer demand high	4	7	7	5	4	5	5	5	5	3	3	4	3
Prices are low	1	2	3	1	3	2	2	3	2	1	1	1	2
Credit is easy	2	4	3	4	8	9	10	9	5	4	3	7	10
UNFAVORABLE NEWS:													
Government; elections	4	4	4	3	3	6	5	6	5	5	4	6	4
Unemployment	13	15	14	17	16	17	18	19	20	21	21	18	21
Consumer demand low	2	2	2	1	2	3	3	3	2	3	3	3	2
Prices are high	1	2	2	1	2	2	1	2	1	2	2	2	1
Credit is tight	13	9	6	5	3	2	2	1	2	2	2	1	1
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

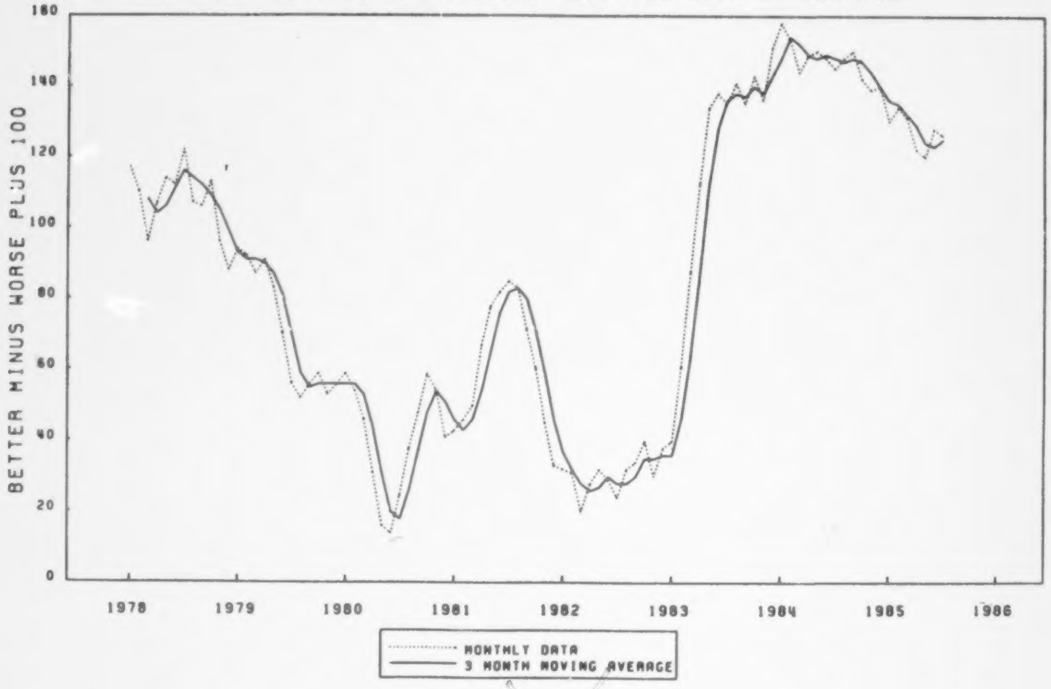


CHART 14 - HISTORICAL SERIES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

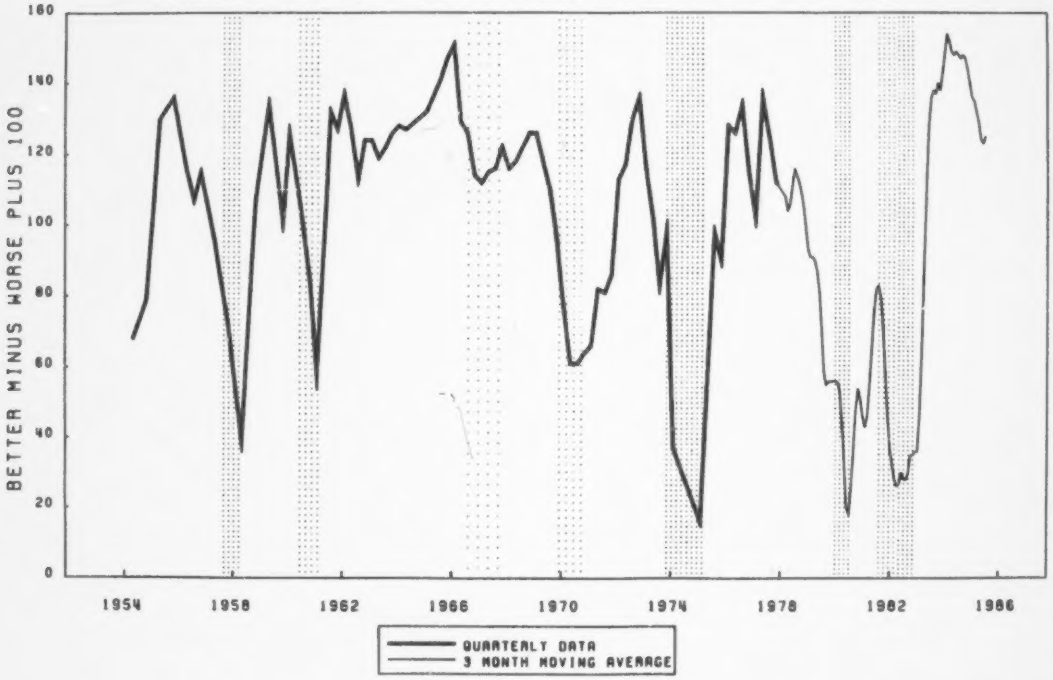


TABLE 14

CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
BETTER NOW	67%	68%	68%	65%	63%	63%	57%	60%	57%	51%	53%	56%	56%
SAME	9	11	12	10	12	13	14	12	15	17	13	14	13
WORSE NOW	22	20	18	23	24	23	27	26	26	29	33	28	30
DK,NA	2	1	2	2	1	1	2	2	2	3	1	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

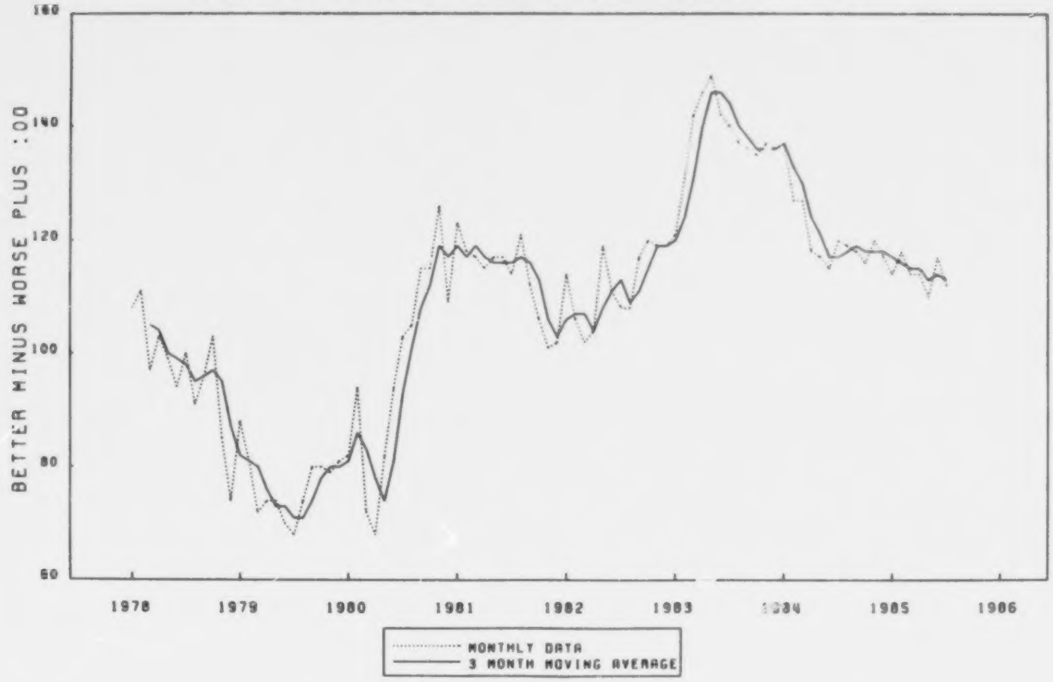


CHART 15 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

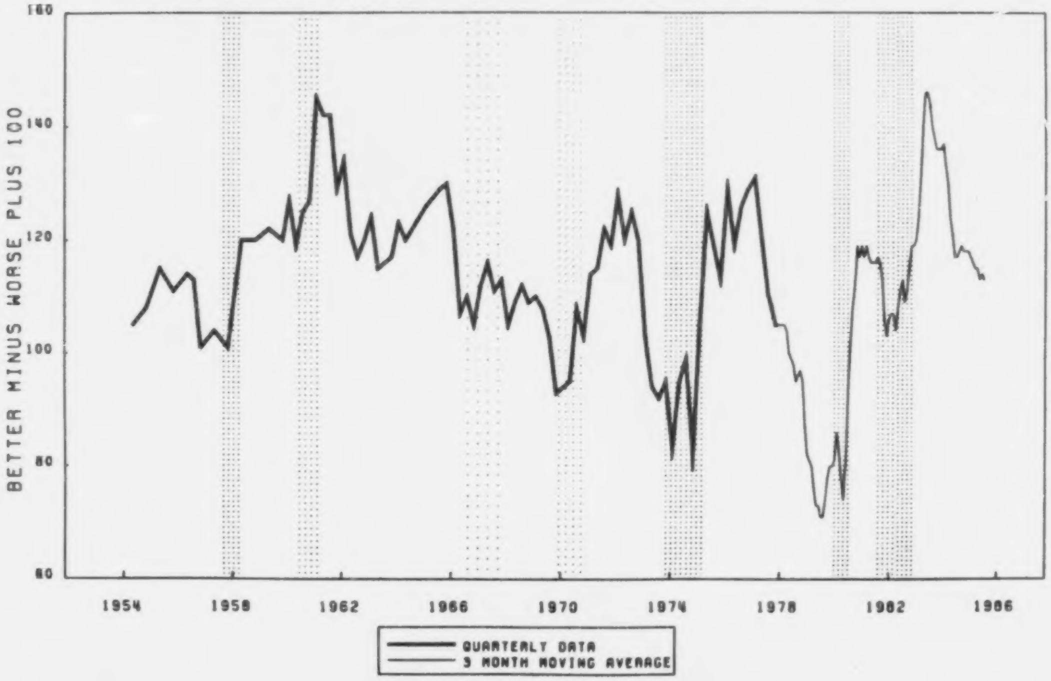


CHART 15 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

TABLE 15

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
BETTER	32%	33%	33%	32%	35%	33%	29%	33%	29%	29%	27%	29%	26%
SAME	51	49	48	49	48	47	55	50	53	53	54	57	57
WORSE	12	14	15	16	15	16	15	15	15	15	17	12	14
DK,NA	5	4	4	3	2	4	1	2	3	3	2	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

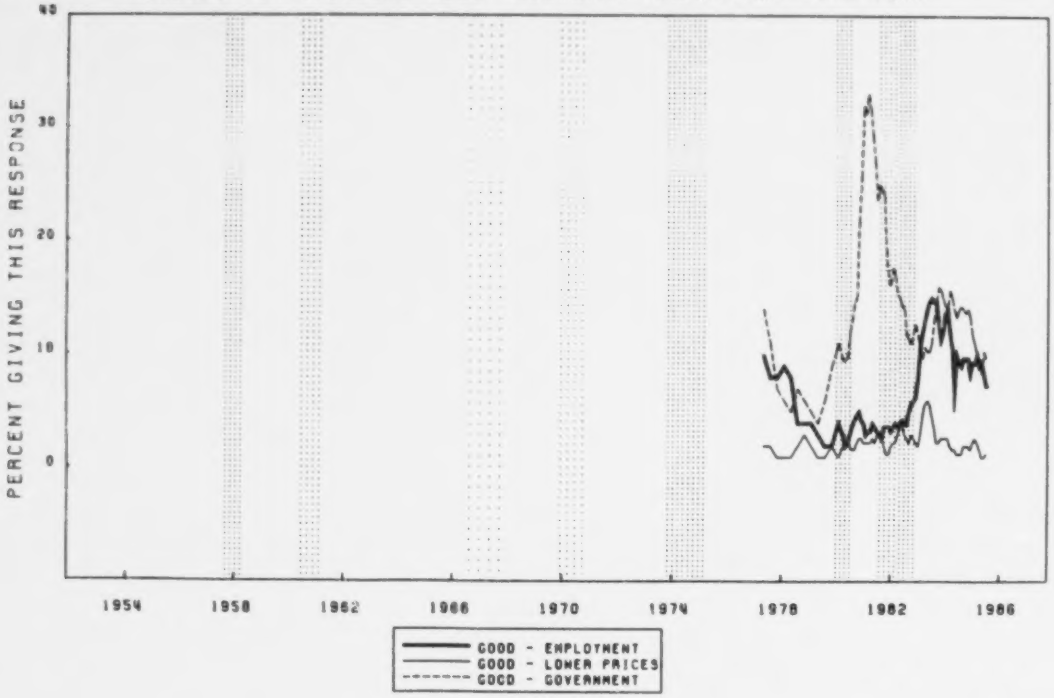


CHART 16B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

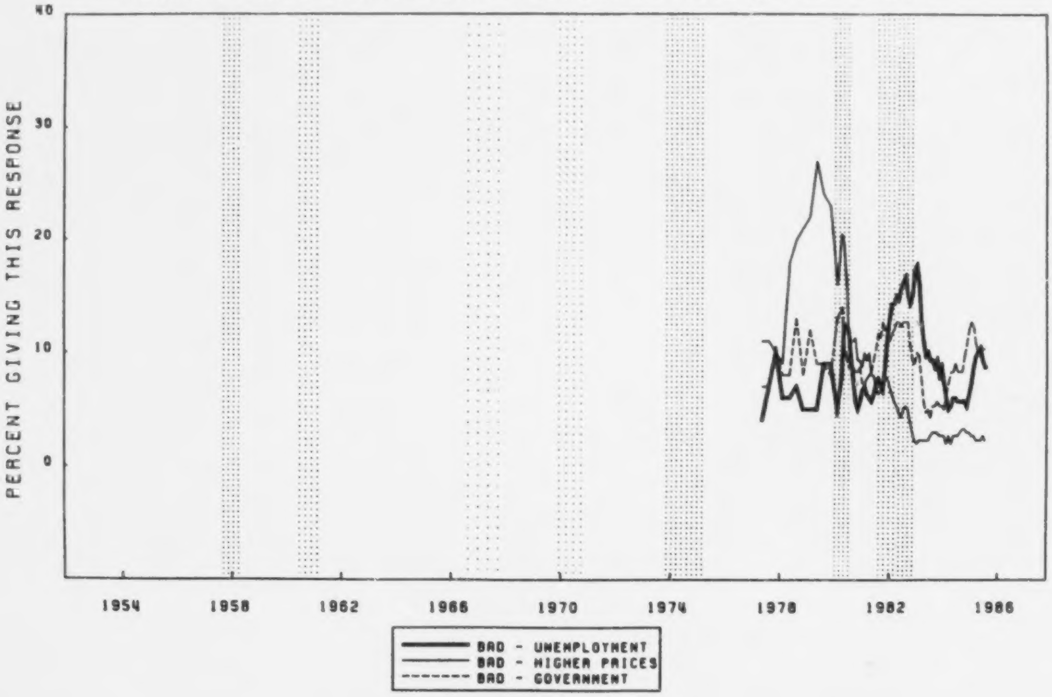


TABLE 16

REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
FAVORABLE REASONS:													
Government; elections	15%	13%	14%	14%	14%	12%	9%	12%	8%	9%	8%	14%	7%
Employment	9	8	12	9	8	8	12	8	10	9	9	7	6
Higher consumer demand	5	5	2	2	5	4	4	4	5	5	4	5	2
Lower prices	1	2	3	1	2	2	3	3	1	1	1	1	2
Easier credit	4	4	4	3	5	6	4	4	4	3	2	6	5
UNFAVORABLE REASONS:													
Government; elections	5	9	11	9	12	15	11	11	10	9	13	9	9
Unemployment	6	6	5	6	5	8	9	9	11	10	10	8	8
Lower consumer demand	2	3	2	2	3	4	2	2	4	4	4	2	2
Higher prices	3	4	3	3	3	3	2	3	2	2	3	3	1
Tighter credit	7	5	4	4	3	3	4	3	2	2	1	1	1
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

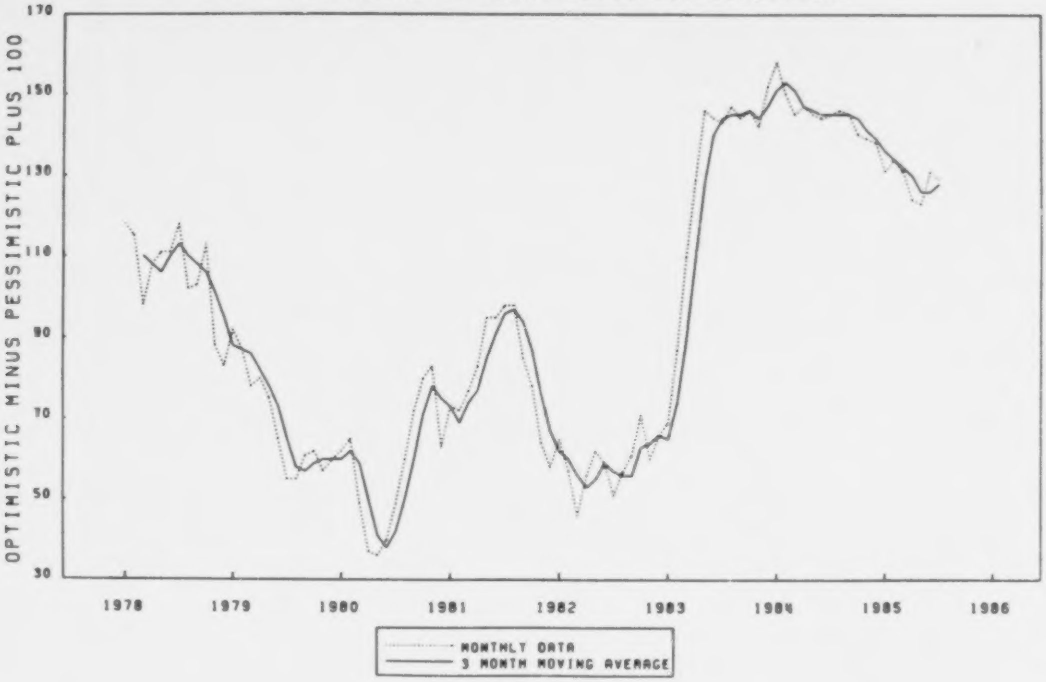


CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

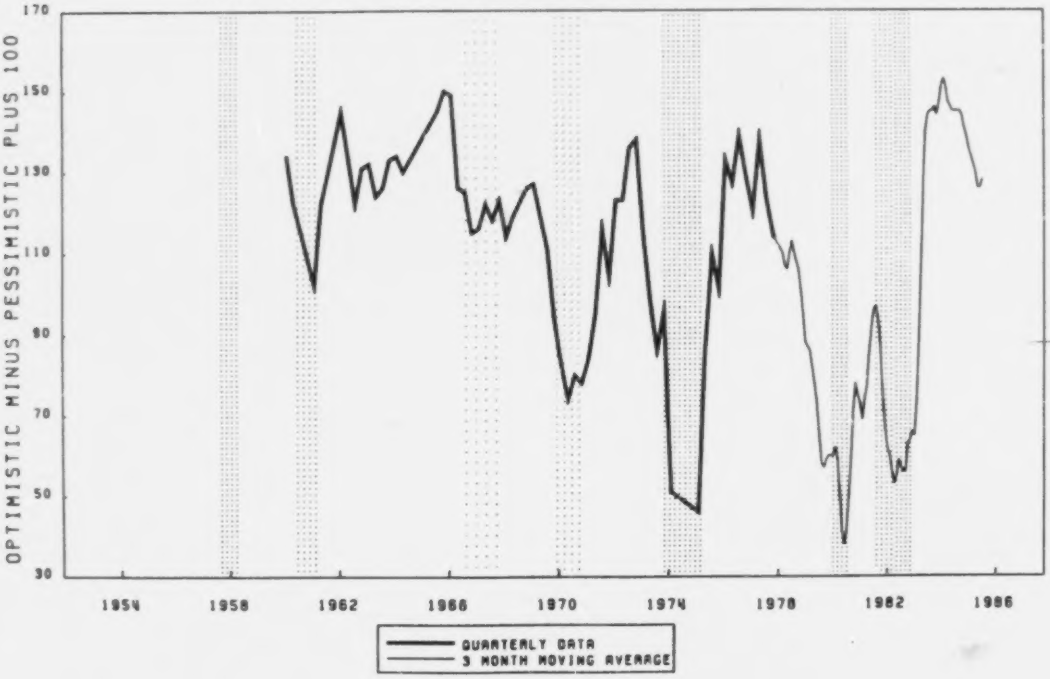


TABLE 17

TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
TREND:													
Continuous increase (a)	25%	25%	27%	24%	28%	27%	21%	26%	22%	21%	18%	22%	19%
Intermittent increase (b)	38	36	35	36	32	32	36	31	33	29	34	34	36
Remain unchanged (c)	4	6	6	5	6	7	8	7	9	11	8	9	9
Intermittent decline (d)	12	10	11	12	14	13	17	15	15	18	18	17	16
Continuous decline (e)	6	5	6	8	7	8	9	8	9	8	11	8	10
Mixed change (f)	9	12	10	10	9	9	7	9	8	8	8	6	6
DK,NA	6	6	5	5	4	4	2	4	4	5	3	4	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

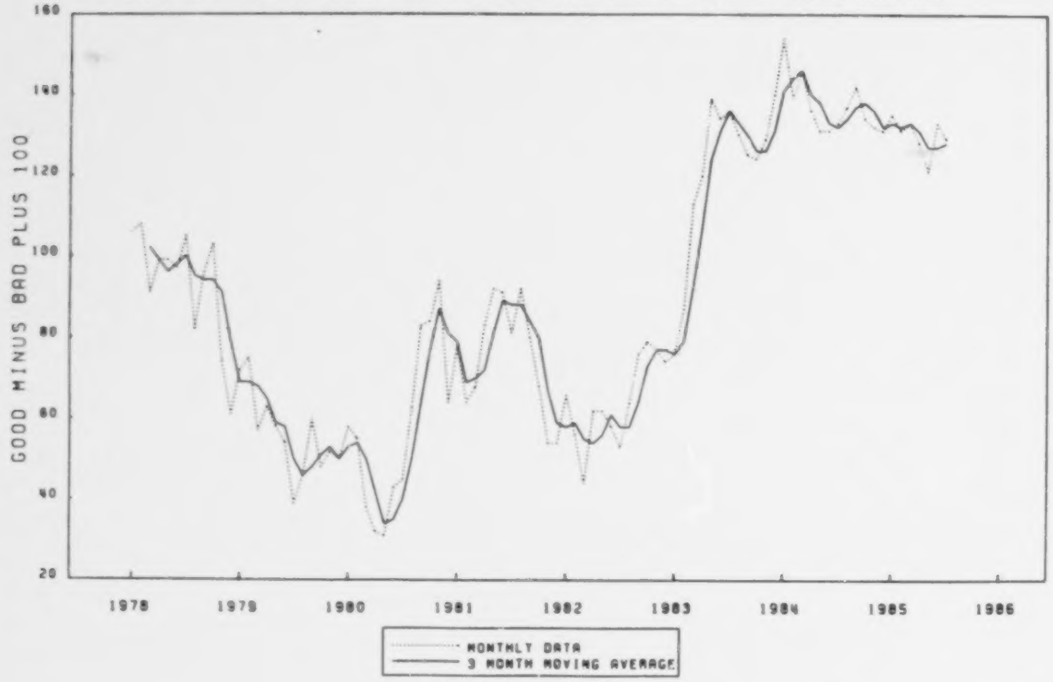


CHART 18 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

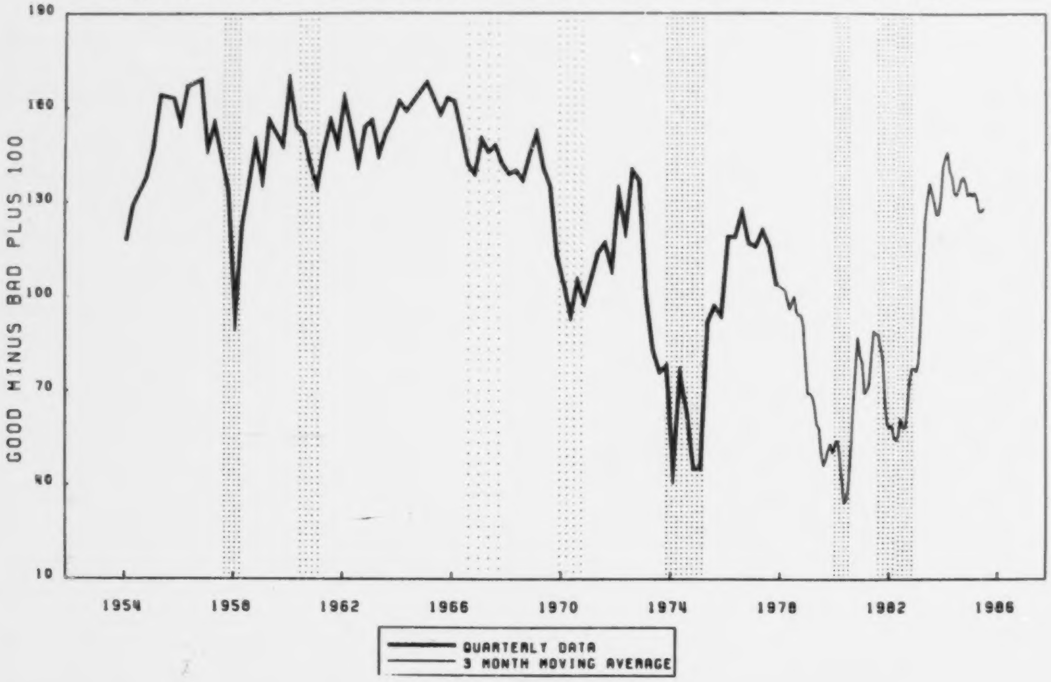


TABLE 18

BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
GOOD TIMES	61%	62%	66%	60%	59%	59%	63%	62%	62%	58%	55%	59%	58%
UNCERTAIN; GOOD & BAD	2	3	3	4	3	3	4	2	2	3	1	3	3
BAD TIMES	28	25	24	26	27	28	28	31	29	30	34	26	29
DON'T KNOW	6	7	6	6	7	7	4	3	5	6	6	5	7
NOT ASCERTAINED	3	3	1	4	4	3	1	2	2	3	4	7	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

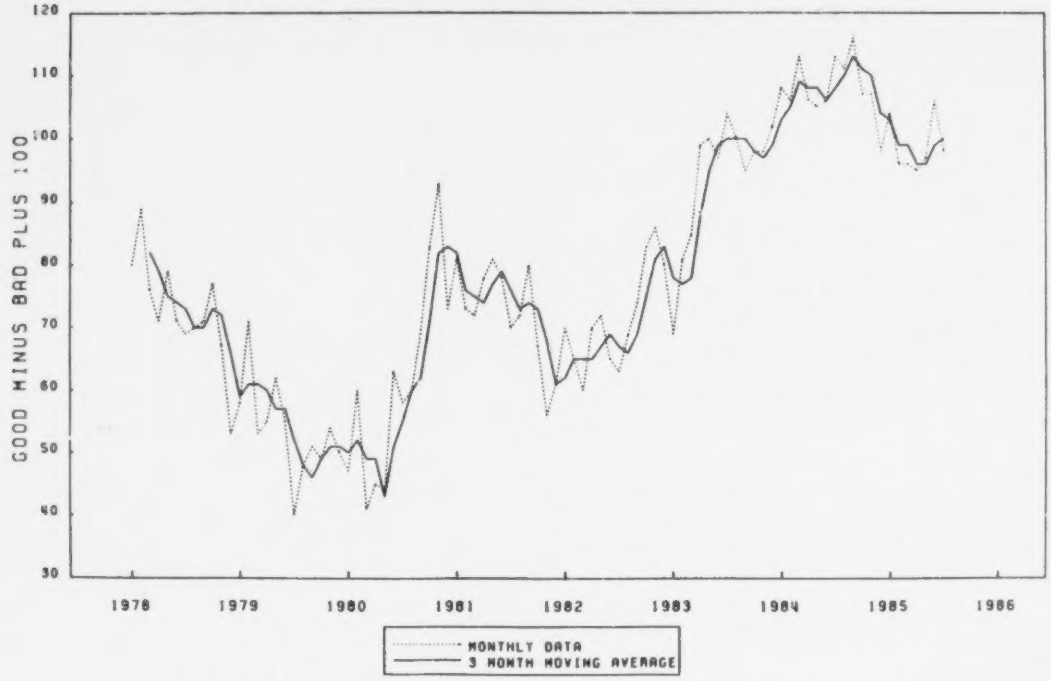


CHART 19 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

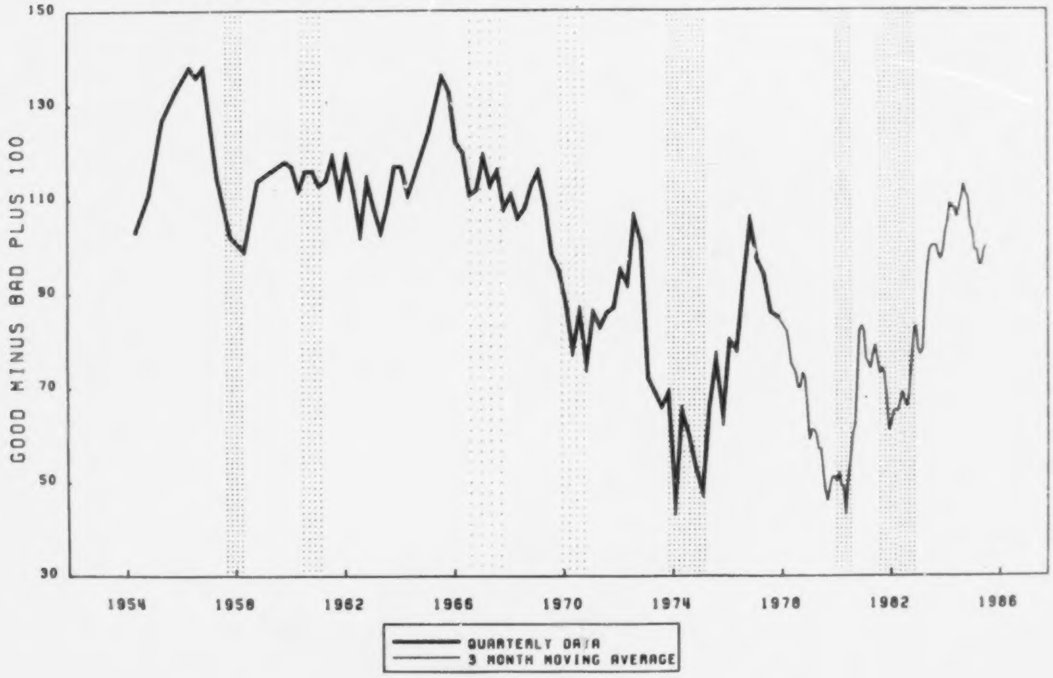


TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
GOOD TIMES	44%	47%	47%	43%	42%	39%	43%	41%	40%	39%	40%	43%	41%
UNCERTAIN; GOOD & BAD	19	13	17	17	17	15	15	11	13	14	14	17	13
BAD TIMES	31	36	31	36	35	41	39	45	44	44	43	37	43
NOT ASCERTAINED	6	4	5	4	6	5	3	3	3	3	3	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

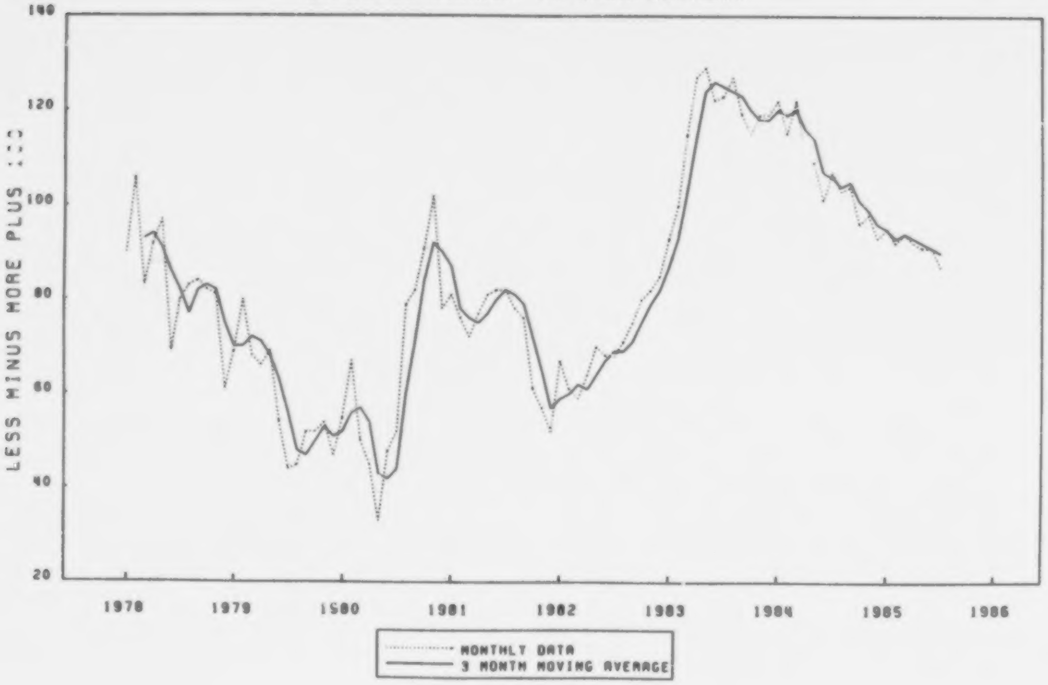


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

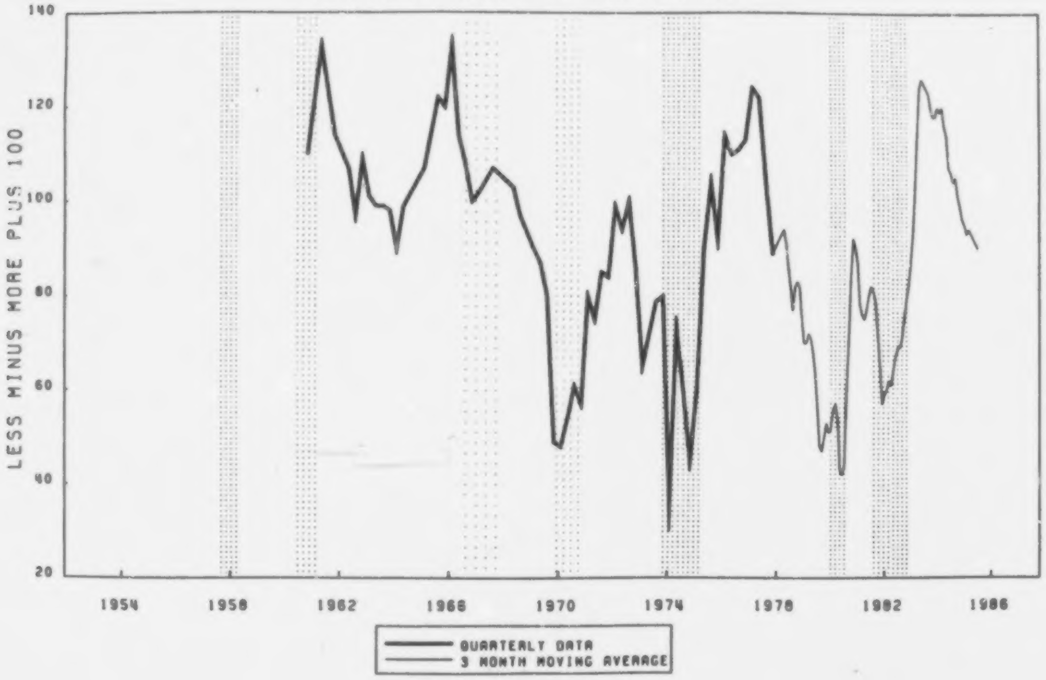


TABLE 20

EXPECTED CHANGE IN UNEMPLOYMENT

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
LESS	26%	24%	26%	20%	22%	21%	20%	20%	23%	20%	19%	16%	14%
SAME	53	54	50	54	52	50	54	50	47	50	52	58	58
MORE	19	21	22	24	24	28	25	28	29	28	28	25	27
DK,NA	2	1	2	2	2	1	1	2	1	2	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

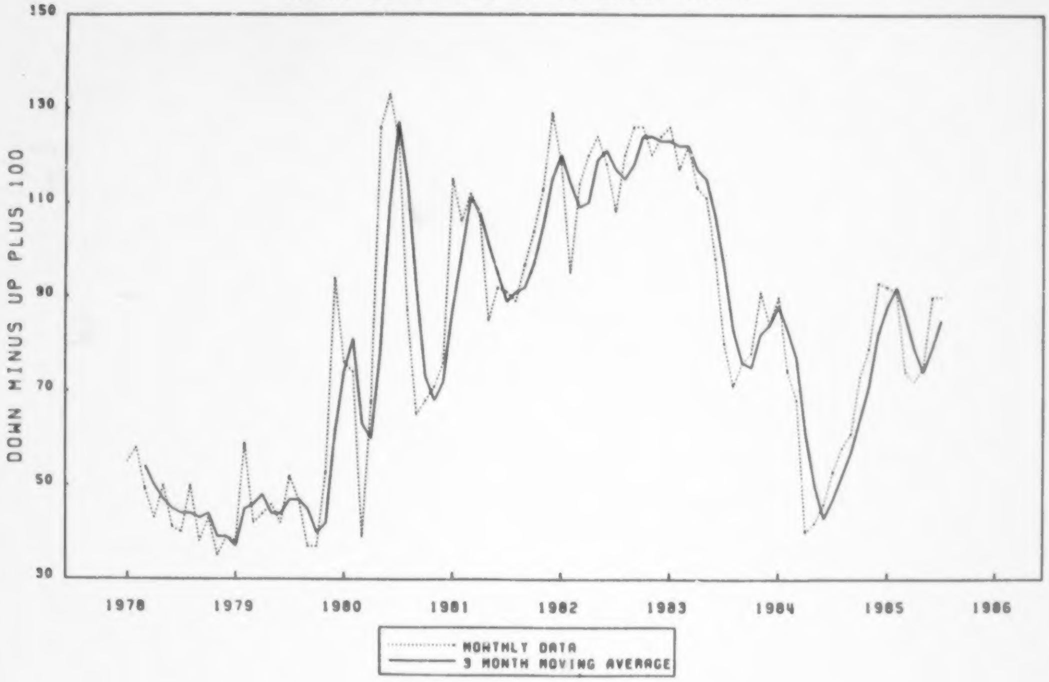


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

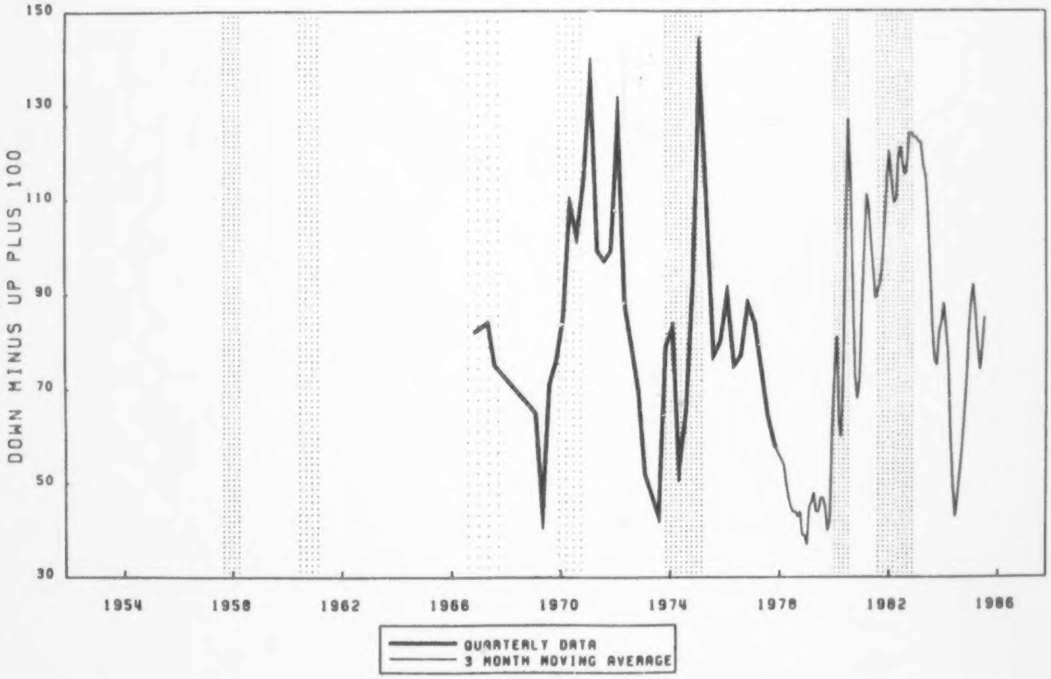


TABLE 21

EXPECTED CHANGE IN INTEREST RATES

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
GO UP	58%	55%	52%	45%	44%	37%	36%	35%	45%	47%	44%	36%	35%
STAY THE SAME	27	29	32	33	31	30	33	37	32	31	34	36	38
GO DOWN	11	13	13	18	23	30	28	26	19	19	19	26	25
DK,NA	4	3	3	4	2	3	3	2	4	3	3	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES
CHANGE IN PRICES DURING THE LAST 12 MONTHS

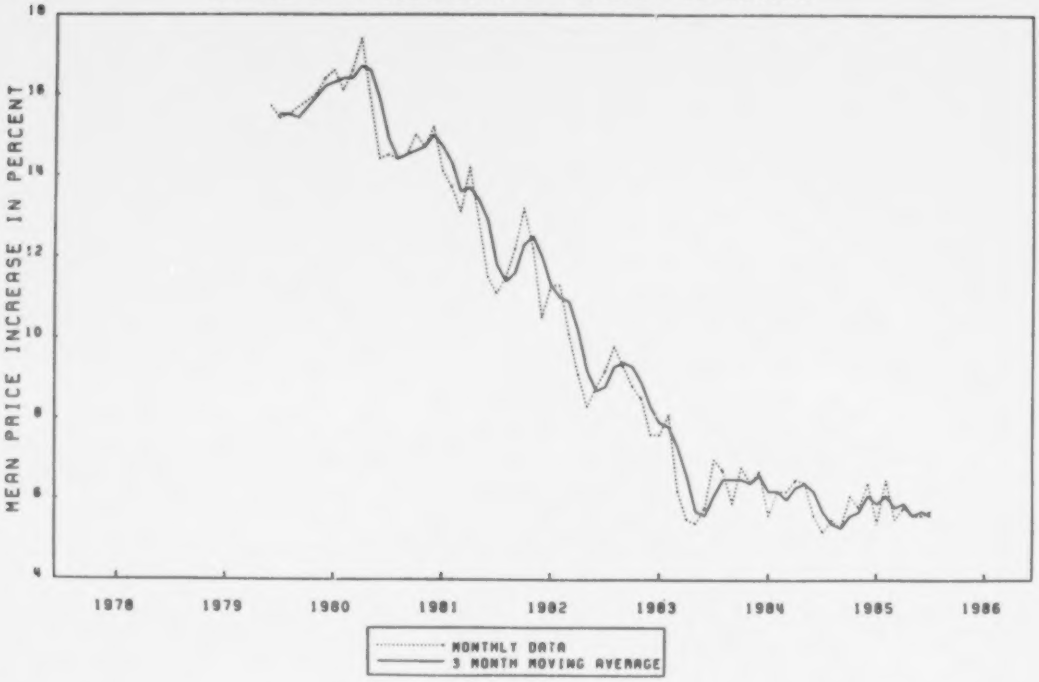


CHART 22 - HISTORICAL SERIES
CHANGE IN PRICES DURING THE LAST 12 MONTHS

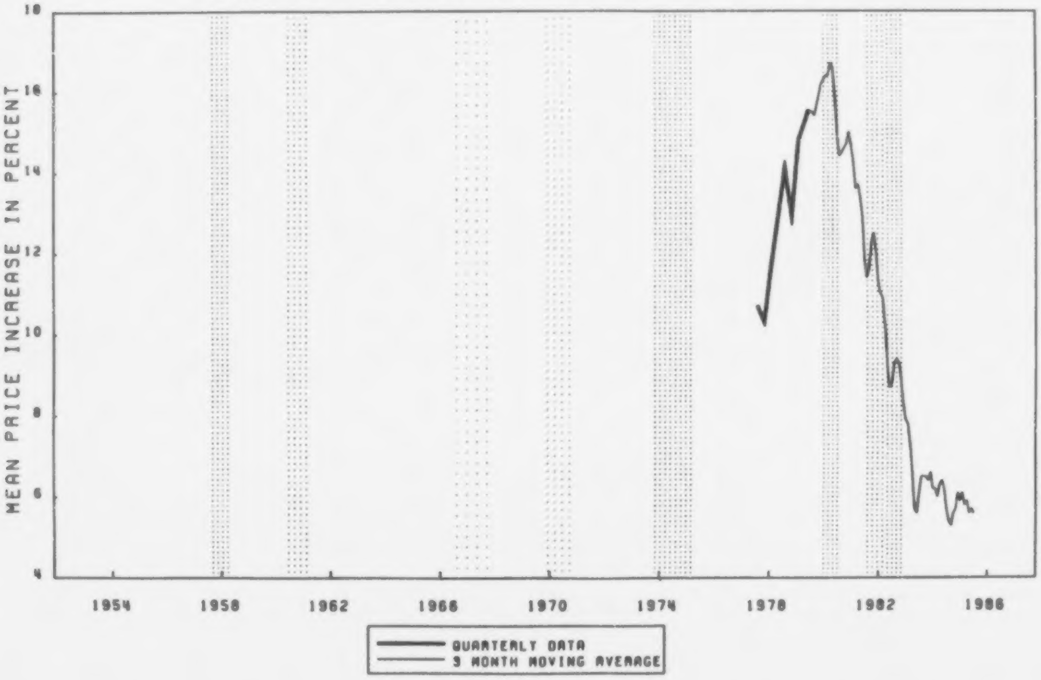


TABLE 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
SAME OR DOWN	27%	29%	29%	28%	27%	24%	25%	25%	28%	24%	23%	24%	25%
GONE UP BY:													
1-2%	8	10	9	9	11	9	11	11	11	10	13	12	13
3-4%	17	12	16	15	15	14	17	16	18	17	18	18	16
5%	16	18	16	13	14	18	17	13	14	16	16	13	16
6-9%	8	8	7	7	5	6	7	8	5	8	7	9	6
10-14%	11	11	9	11	11	11	10	11	10	13	9	11	11
15% or more	8	7	8	11	10	10	8	11	9	8	9	9	7
DK how much up	4	5	6	5	6	7	5	4	5	4	4	3	5
DK,NA	1	*	*	1	1	1	*	1	*	*	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	5.2	5.5	5.3	6.1	5.8	6.4	5.4	6.5	5.5	5.8	5.6	5.6	5.7
VARIANCE	48	75	63	84	76	86	66	93	72	64	72	61	82
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

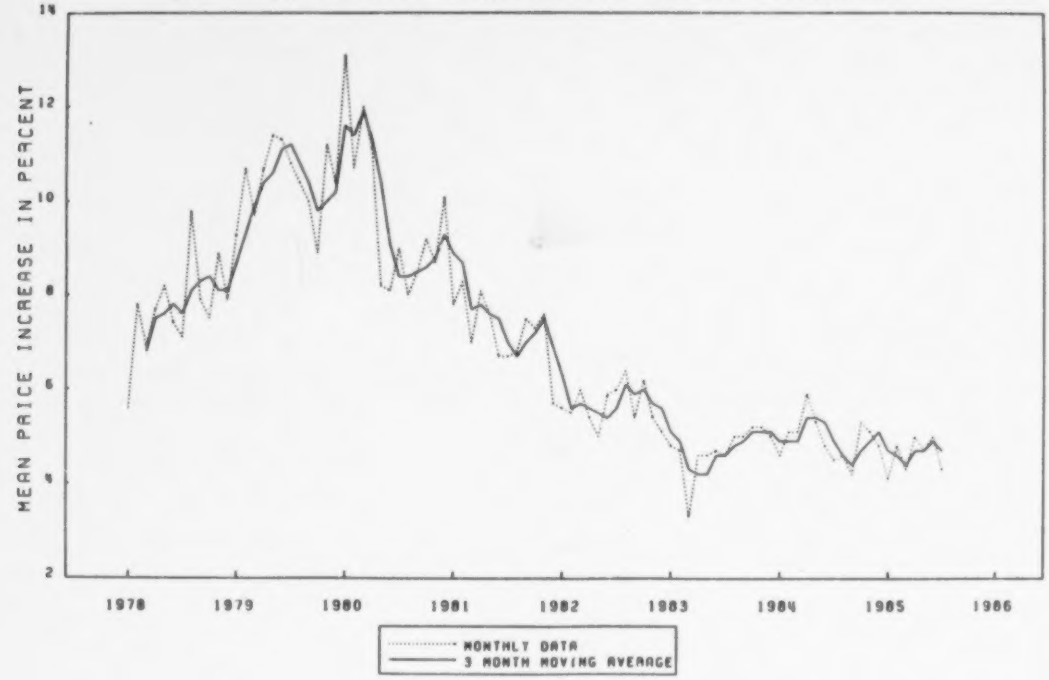


CHART 23 - HISTORICAL SERIES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

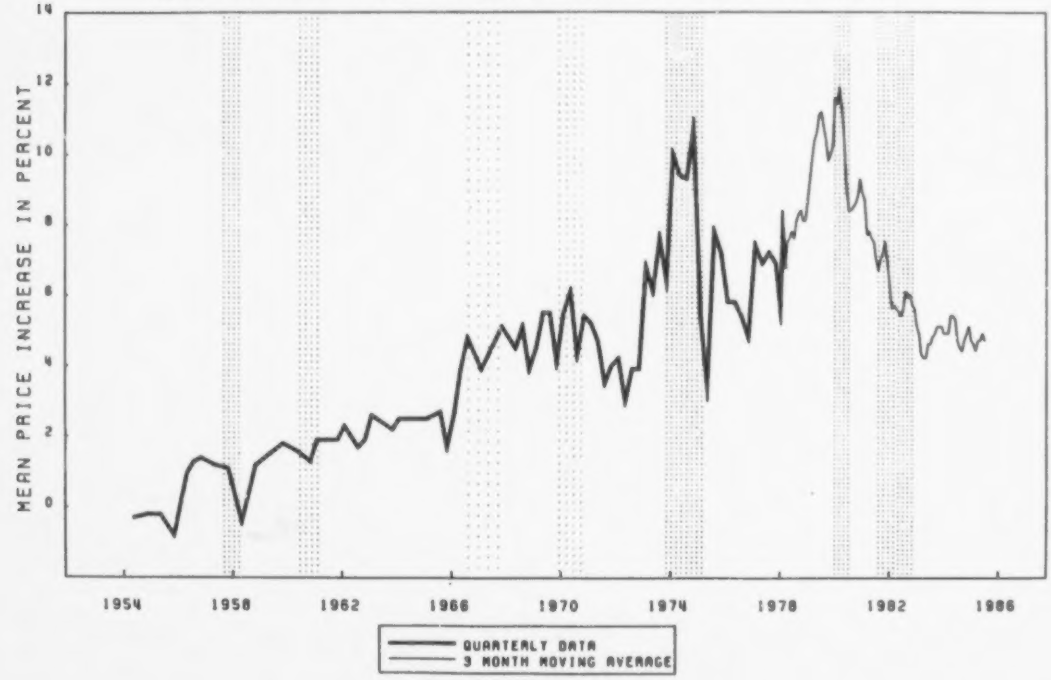


TABLE 23

EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
SAME OR DOWN	23%	24%	24%	22%	23%	25%	26%	25%	26%	22%	20%	19%	24%
WILL GO UP BY:													
1-2%	13	18	16	13	14	13	16	14	15	13	17	16	19
3-4%	17	15	19	15	17	17	20	19	19	20	20	21	20
5%	20	18	14	18	18	16	15	15	15	16	20	19	14
6-9%	8	6	8	9	6	9	6	6	6	8	6	6	8
10-14%	8	8	8	10	9	9	7	10	9	11	7	9	6
15% or more	5	5	4	7	7	5	4	6	6	6	6	6	4
DK how much up	3	5	4	4	4	4	4	4	4	3	2	2	4
DK,NA	3	1	3	2	2	2	2	1	*	1	2	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	4.5	4.6	4.2	5.3	5.1	4.8	4.1	4.8	4.3	5.0	4.7	5.0	4.3
VARIANCE	33	46	36	53	47	44	36	51	34	44	46	51	49
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

* : Less than half of one percent.

CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

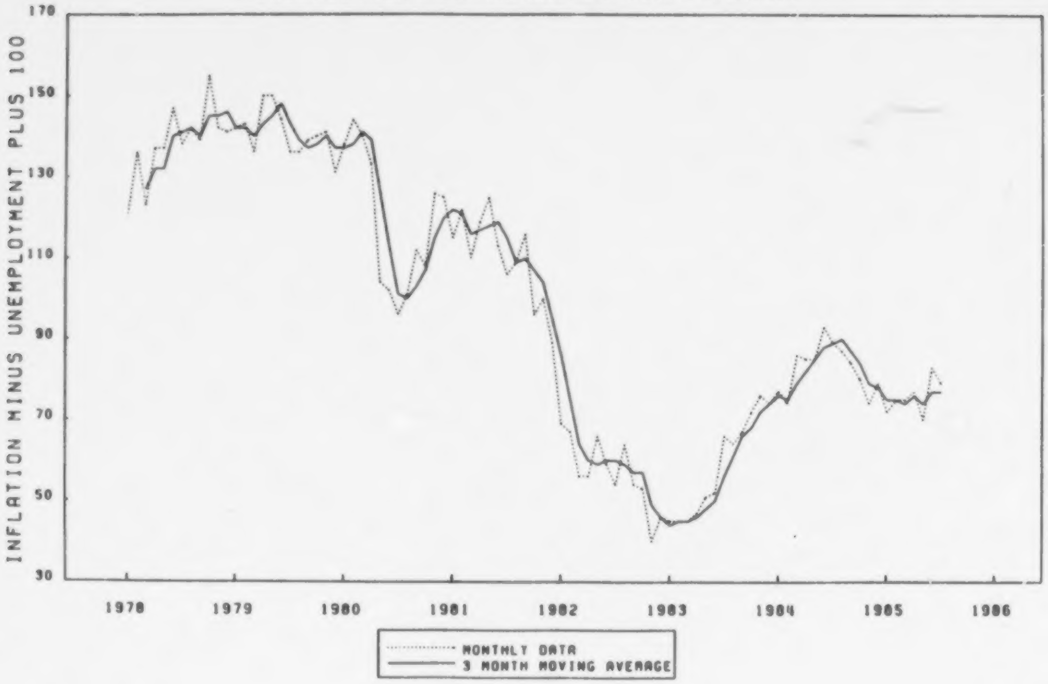


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

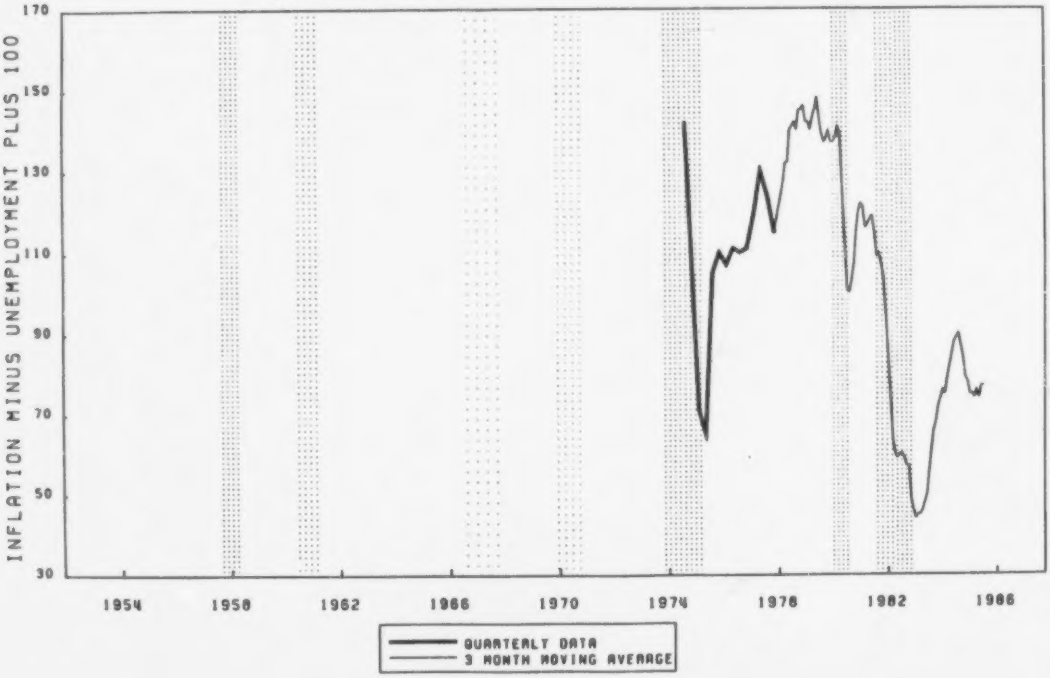


TABLE 24

UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
UNEMPLOYMENT	51%	52%	54%	55%	59%	56%	60%	58%	59%	57%	61%	55%	57%
BOTH EQUALLY SERIOUS	7	6	5	8	7	6	6	5	5	6	6	4	5
INFLATION	40	39	38	35	33	35	32	33	34	34	31	38	36
DK,NA	2	3	3	2	1	3	2	4	2	3	2	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES.
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

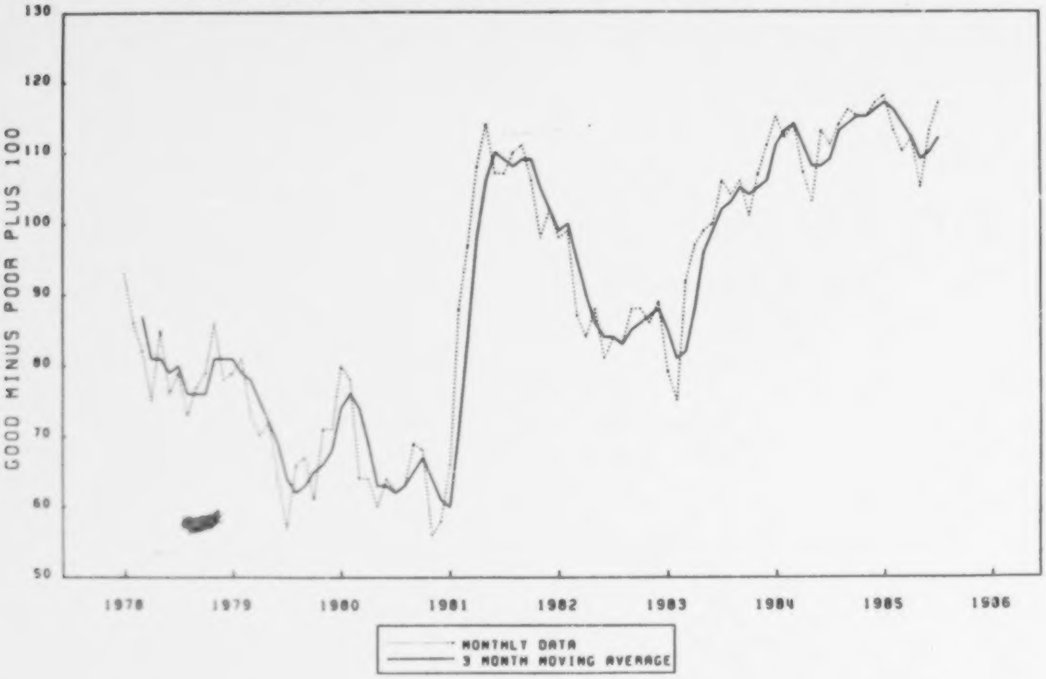


CHART 25 - HISTORICAL SERIES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

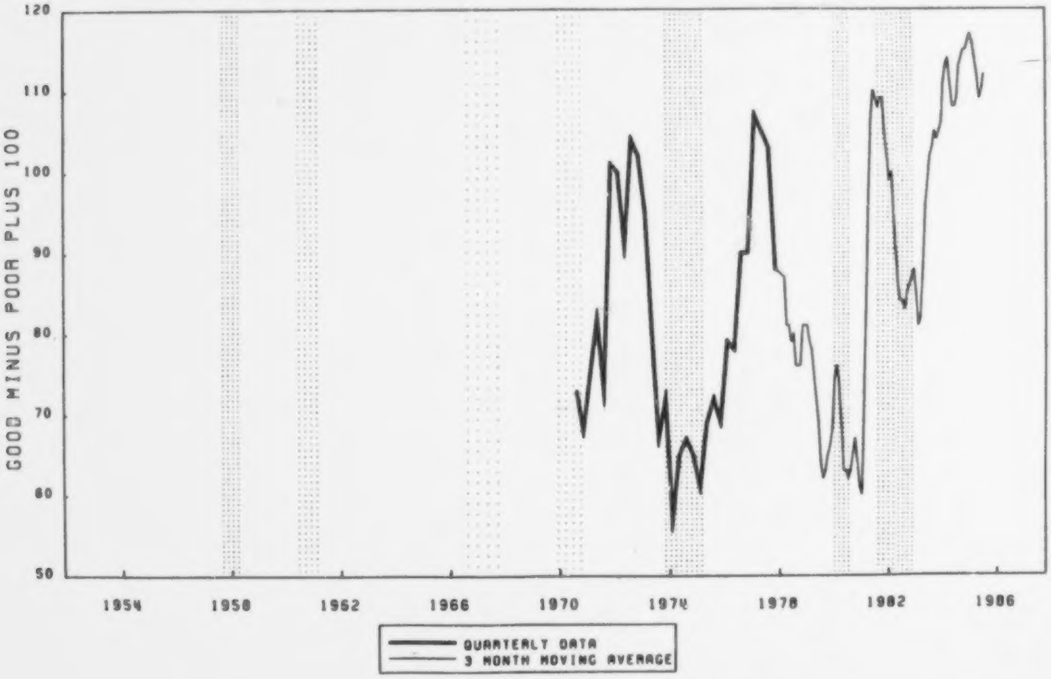


TABLE 25

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
A GOOD JOB	30%	33%	35%	36%	32%	33%	34%	33%	32%	30%	26%	29%	31%
ONLY FAIR	48	46	44	41	50	49	49	46	43	50	51	53	52
A POOR JOB	19	19	19	21	17	16	16	20	22	18	21	16	14
DK,NA	3	2	2	2	1	2	1	1	3	2	2	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

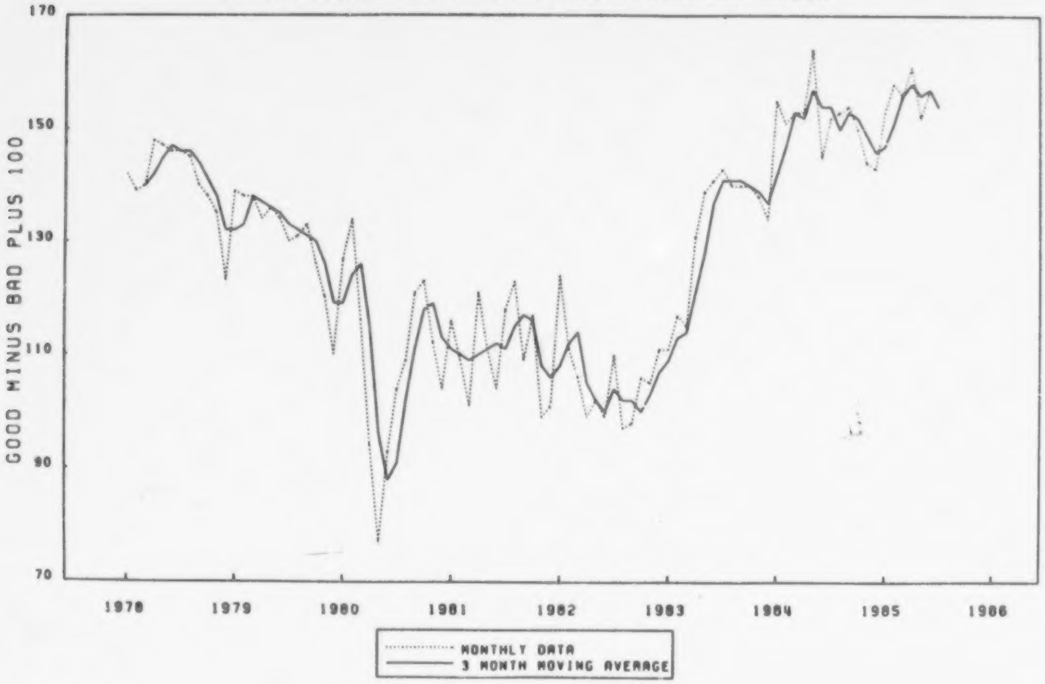


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

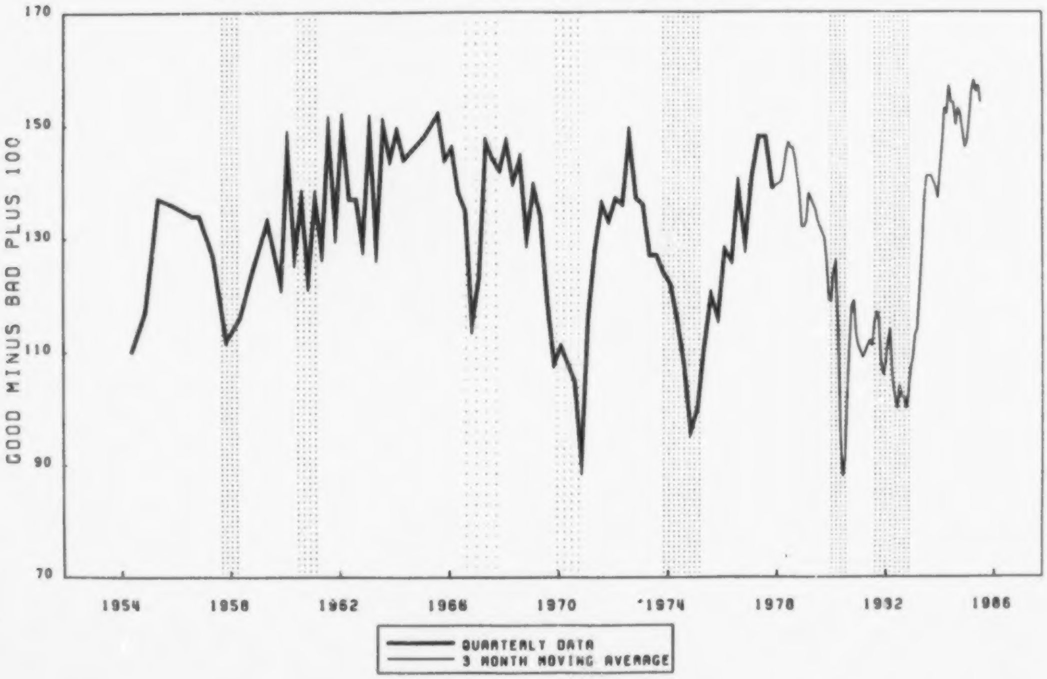


TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
GOOD TIME TO BUY	71%	72%	72%	70%	67%	67%	73%	75%	74%	77%	72%	74%	74%
UNCERTAIN, DEPENDS	10	9	10	10	10	9	7	8	8	7	8	9	6
BAD TIME TO BUY	19	19	18	20	23	24	20	17	18	16	20	17	20
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

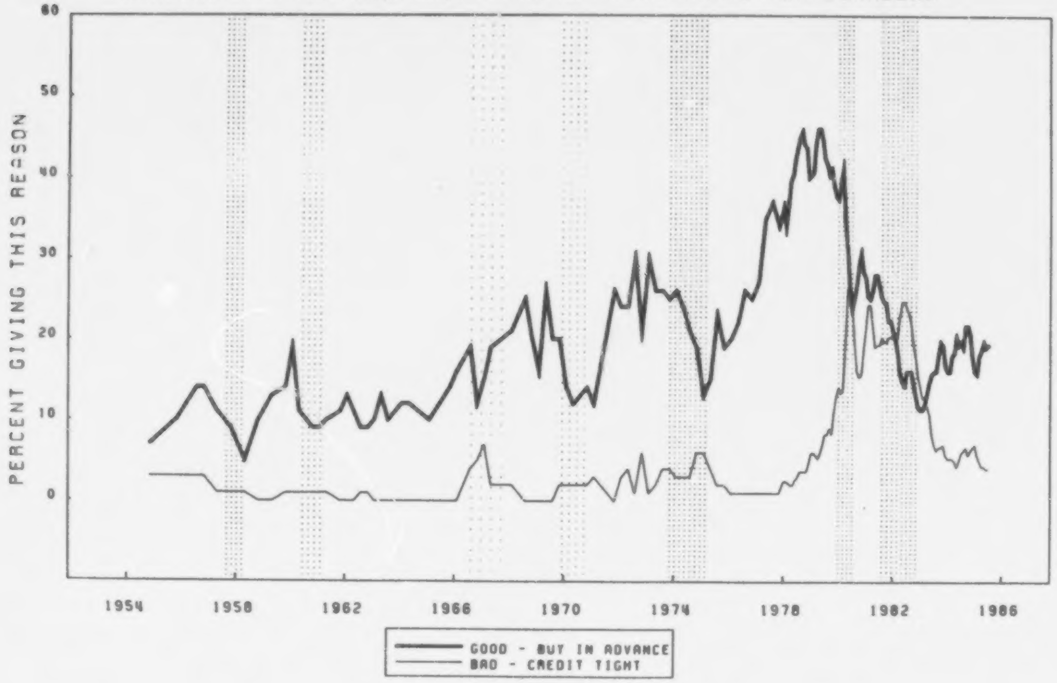


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

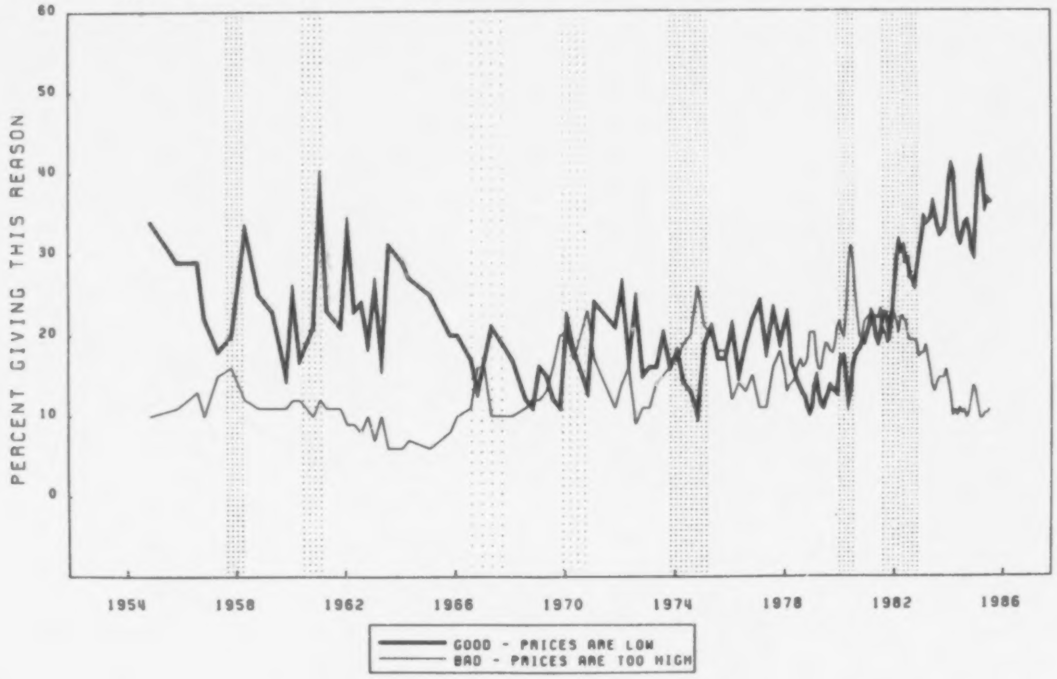


TABLE 27

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	33%	35%	34%	29%	28%	32%	45%	43%	36%	37%	34%	39%	36%
Prices won't come down; are going higher	21	20	24	21	17	15	16	16	22	18	19	20	19
Interest rates low; credit is easy	10	8	8	11	11	10	11	11	10	13	11	13	14
BAD TIME TO BUY:													
Prices are high	10	9	10	12	14	15	10	9	10	10	11	10	11
Interest rates are high; credit is tight	8	6	6	5	8	7	6	4	5	4	4	4	4
Lack of purchasing power	5	7	7	7	7	7	10	6	7	6	9	7	6

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

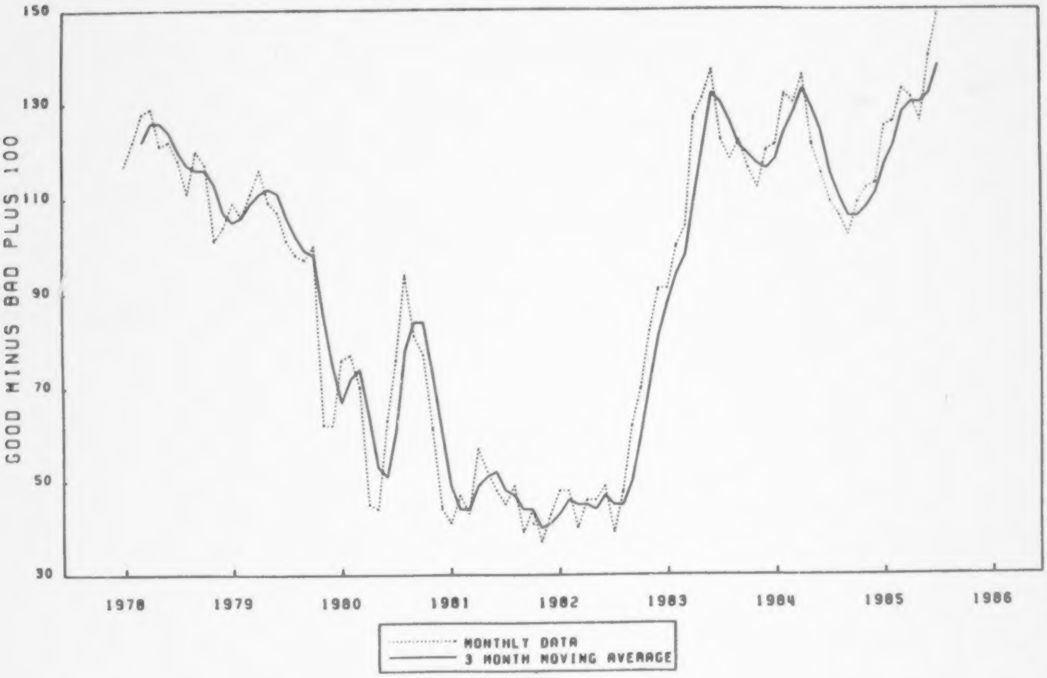


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

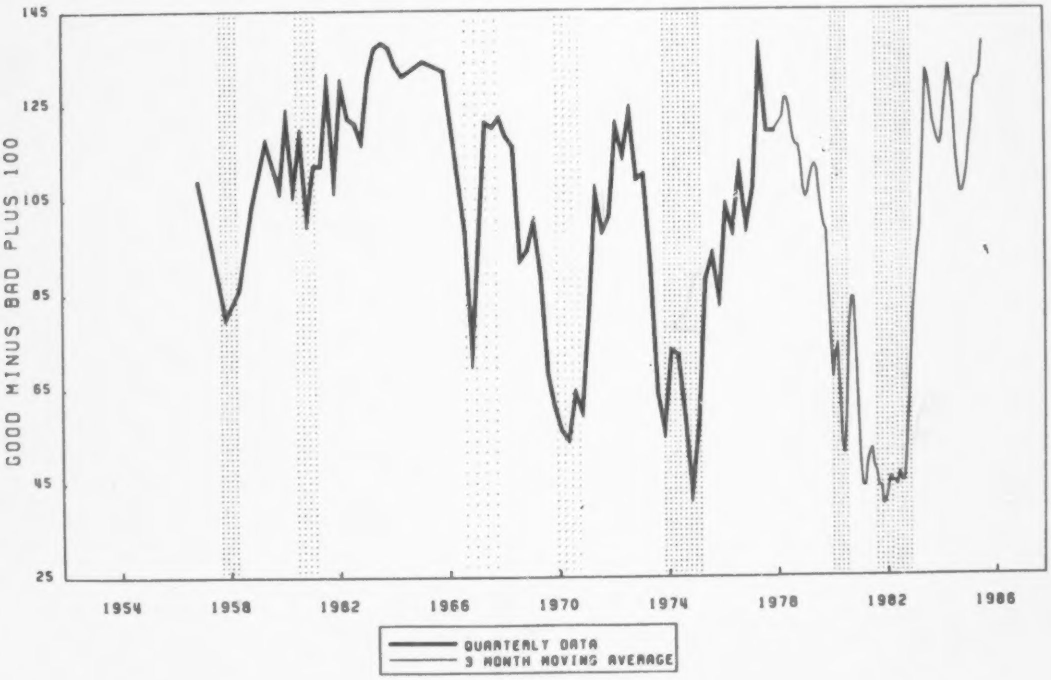


TABLE 28

BUYING CONDITIONS FOR HOUSES

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
GOOD TIME TO BUY	52%	50%	48%	52%	54%	54%	61%	61%	64%	64%	61%	67%	73%
UNCERTAIN, DEPENDS	5	6	6	5	4	5	3	4	5	3	4	6	3
BAD TIME TO BUY	43	44	46	43	42	41	36	35	31	33	35	27	24
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

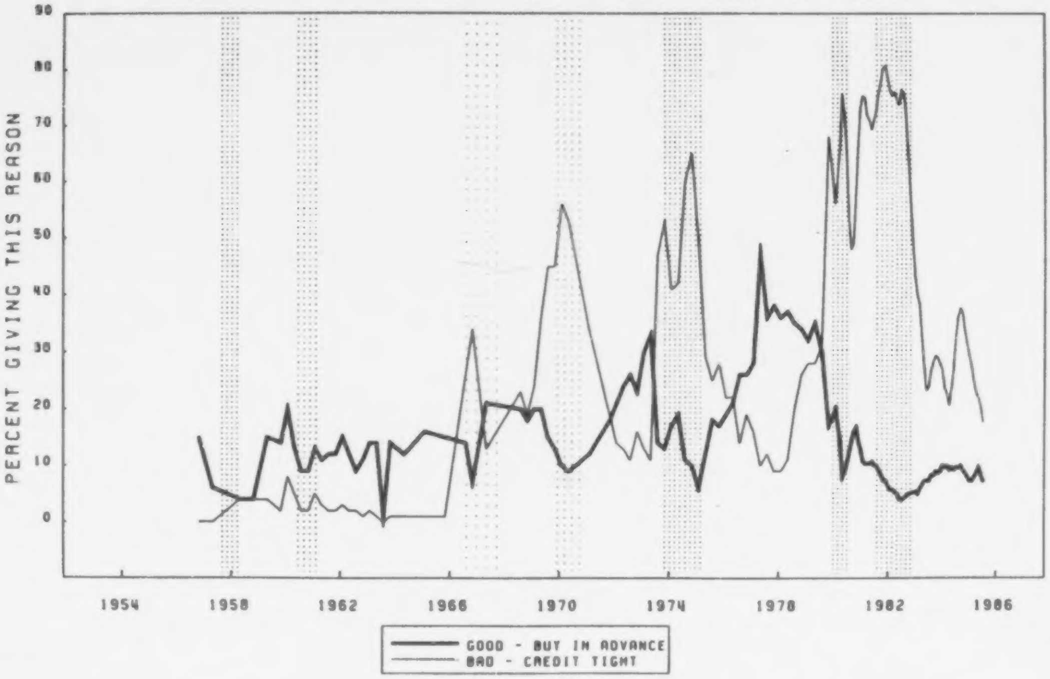


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

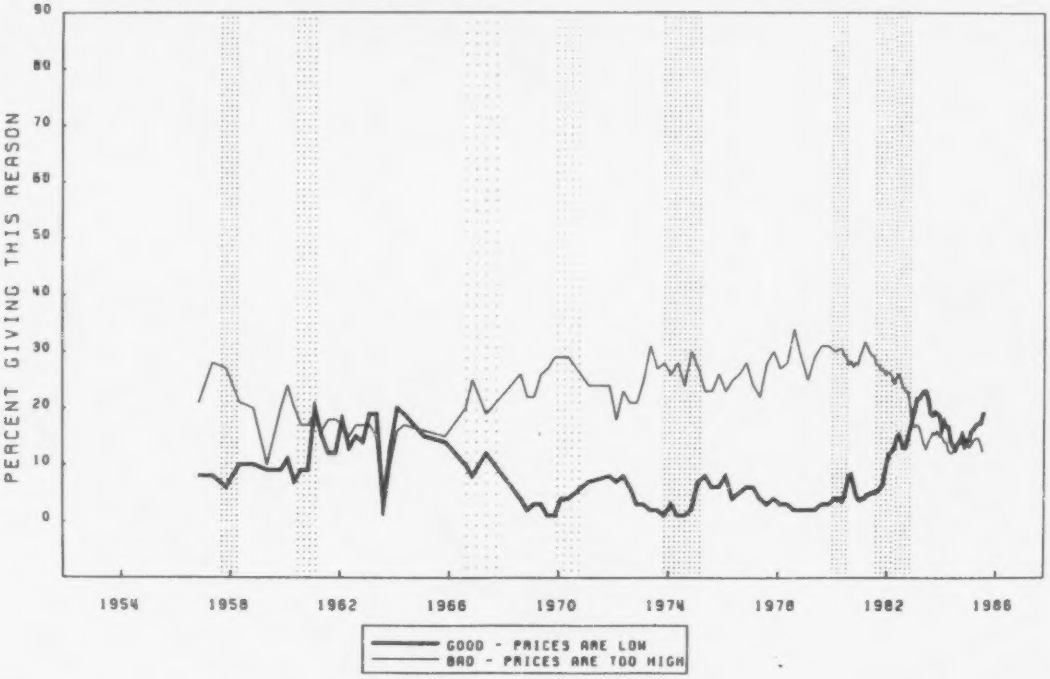


TABLE 29

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	13%	15%	14%	15%	11%	17%	15%	16%	18%	17%	17%	18%	22%
Prices won't come down; are going higher	11	9	10	9	7	8	7	7	10	9	10	7	5
Interest rates low; credit is easy	37	35	34	35	44	38	49	50	48	47	43	56	57
Good investment	5	4	7	5	7	5	6	6	7	6	6	6	5
BAD TIME TO BUY:													
Prices are high	12	16	16	16	12	13	14	14	15	15	14	12	11
Interest rates are high; credit is tight	36	40	37	33	31	30	27	25	22	21	23	17	13
Lack of purchasing power	11	11	11	10	13	13	12	11	9	12	16	9	11

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

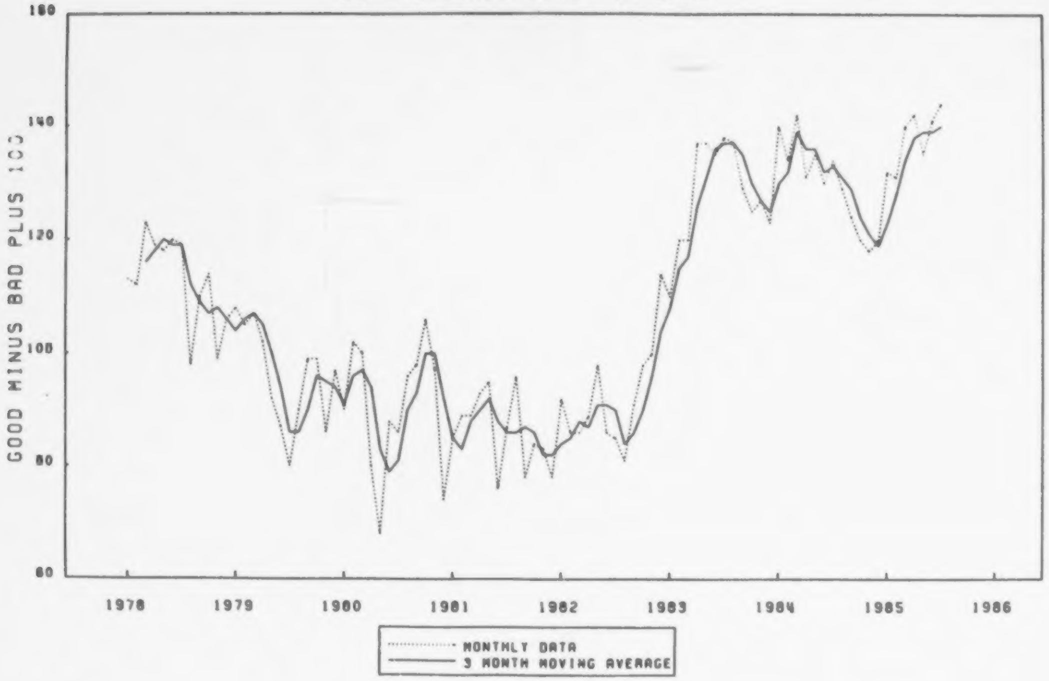


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

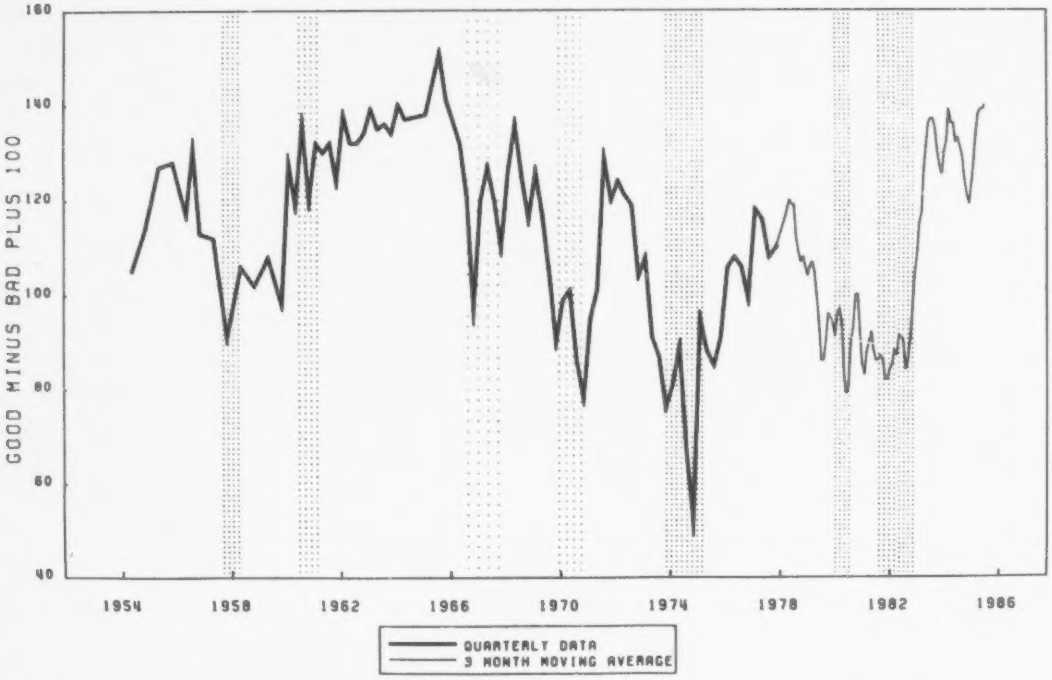


TABLE 30

BUYING CONDITIONS FOR CARS

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
GOOD TIME TO BUY	62%	59%	59%	54%	55%	55%	62%	61%	67%	68%	65%	67%	67%
UNCERTAIN; DEPENDS	10	11	6	12	8	10	8	9	6	6	5	7	10
BAD TIME TO BUY	28	30	35	34	37	35	30	30	27	26	30	26	23
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

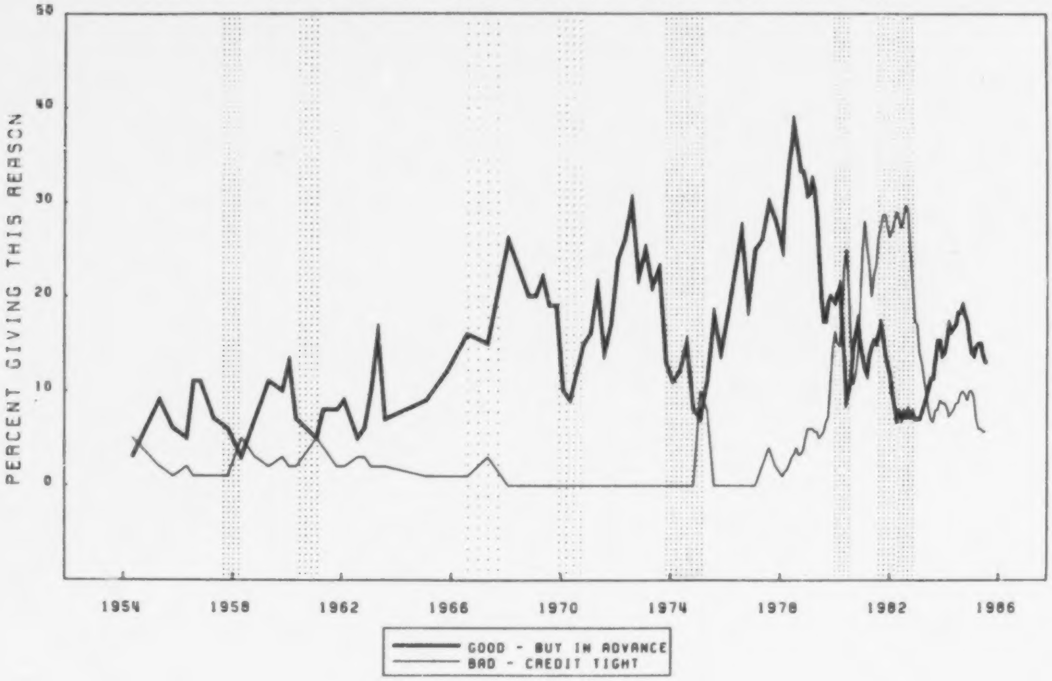


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

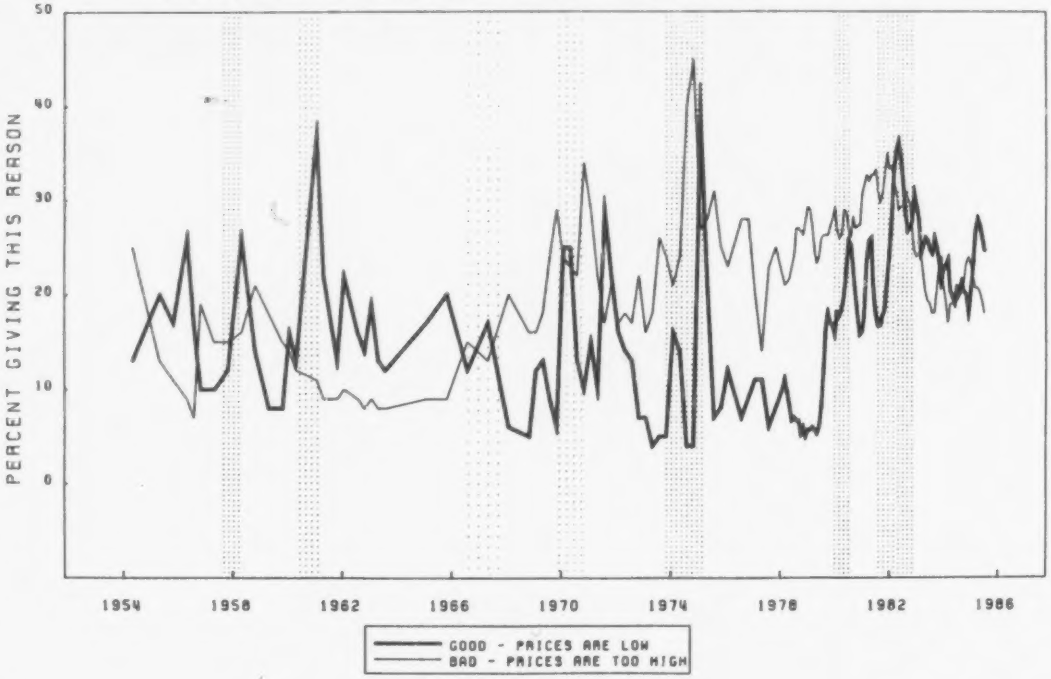


TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	21%	19%	24%	18%	18%	18%	24%	26%	30%	28%	24%	26%	24%
Prices won't come down; are going higher	20	17	20	17	15	14	13	14	17	14	14	13	12
Interest rates low; credit is easy	24	17	15	14	18	15	23	24	23	25	28	35	35
New fuel efficient models	1	2	1	2	*	2	*	1	1	1	1	1	1
BAD TIME TO BUY:													
Prices are high	20	19	22	23	25	24	21	21	20	21	20	17	17
Interest rates are high: credit is tight	9	12	9	8	10	12	8	8	5	5	8	4	5
Lack of purchasing power	4	5	6	6	8	7	7	6	6	4	6	6	6
Price of gas; shortages	*	1	*	*	*	*	*	*	*	*	*	*	*
Poor selection; quality	4	4	3	3	5	4	4	4	3	4	3	4	3

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

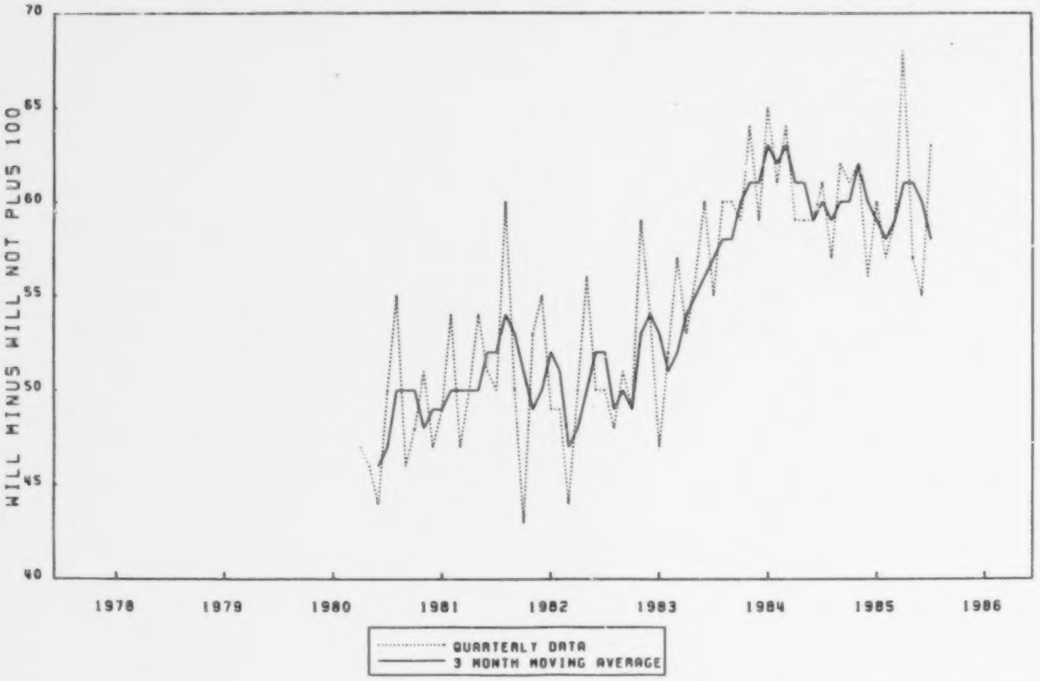


CHART 32 - HISTORICAL SERIES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

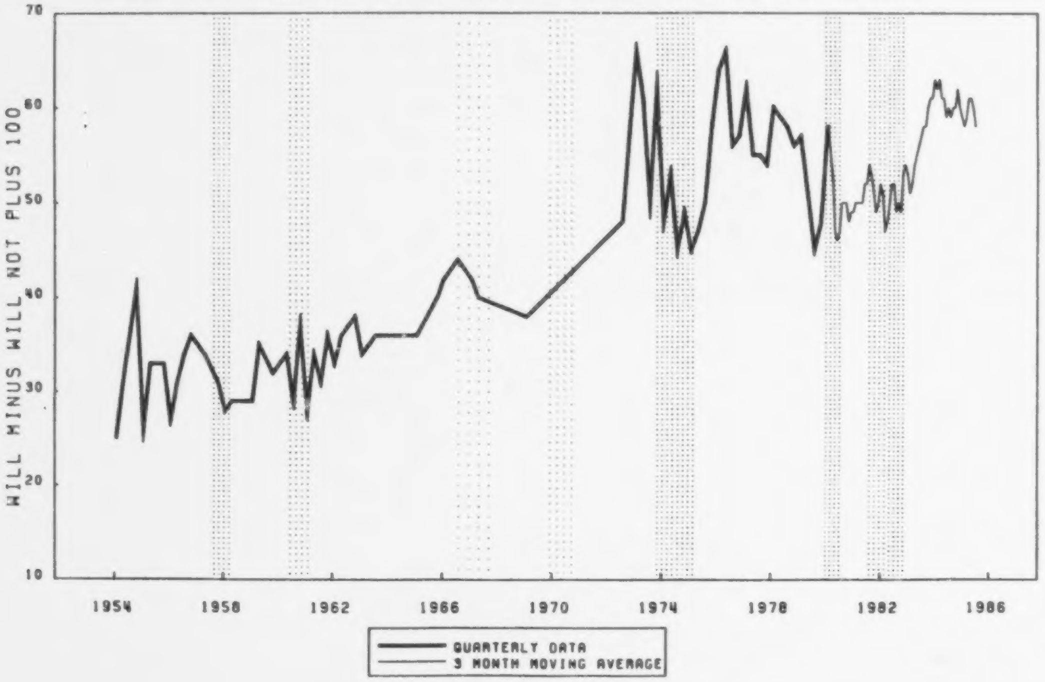


TABLE 32

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
PROBABLY WILL BUY	20%	21%	22%	21%	21%	19%	20%	19%	20%	24%	18%	19%	22%
CHANCES ARE EVEN	9	7	8	8	9	9	9	9	8	7	9	7	7
PROBABLY WILL NOT BUY	59	64	60	60	59	63	60	62	61	56	61	64	59
DK,NA	12	8	10	11	11	9	11	10	11	13	12	10	12
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	656	693	690	706	710	704	640	655	653	675	661	652	641

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
PROPORTION WITH CURRENT PURCHASE INTENTIONS:	29%	28%	30%	29%	30%	28%	29%	28%	28%	31%	27%	26%	29%
PURCHASE TYPE:													
Buy new	15	15	14	15	15	13	17	15	14	17	14	14	14
Buy used	12	11	13	12	13	13	11	11	13	12	12	10	14
Lease	2	1	2	2	1	1	1	1	1	1	1	2	1
DK,NA	*	1	1	*	1	1	*	1	*	1	*	*	*
PURCHASE TIMING:													
Next 3 months	7	3	1	6	5	3	5	4	2	8	5	1	9
Next 4-6 months	6	5	8	6	7	6	8	9	8	9	7	8	5
Next 7-9 months	3	4	5	7	7	10	7	8	11	6	7	6	5
10 months or more	7	8	10	4	8	7	5	4	5	3	5	6	6
DK,NA	6	8	6	6	3	2	4	3	2	5	3	5	4

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985
PROPORTION WITH FUTURE PURCHASE INTENTIONS:	59%	64%	60%	60%	59%	63%	60%	62%	61%	56%	61%	64%	59%
PURCHASE TYPE:													
Would buy new	35	33	34	31	33	34	35	32	35	34	36	37	35
Would buy used	22	29	25	27	25	28	25	28	25	21	25	26	24
DK,NA	2	2	1	2	1	1	*	2	1	1	*	1	*
PURCHASE TIMING:													
Less than 2 years	5	8	5	7	7	7	8	9	6	5	7	8	5
2 years	16	25	21	21	20	23	18	19	21	21	21	24	20
3 years	10	8	11	10	9	10	9	10	10	11	13	10	10
4 years or more	18	15	17	16	17	15	19	17	19	14	16	16	22
Indefinite	3	3	2	1	2	3	2	2	2	1	1	2	1
DK,NA	5	5	4	5	4	5	4	5	3	4	3	4	1

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

CHART 1 - RECENT CHANGES

THE INDEX OF CONSUMER SENTIMENT

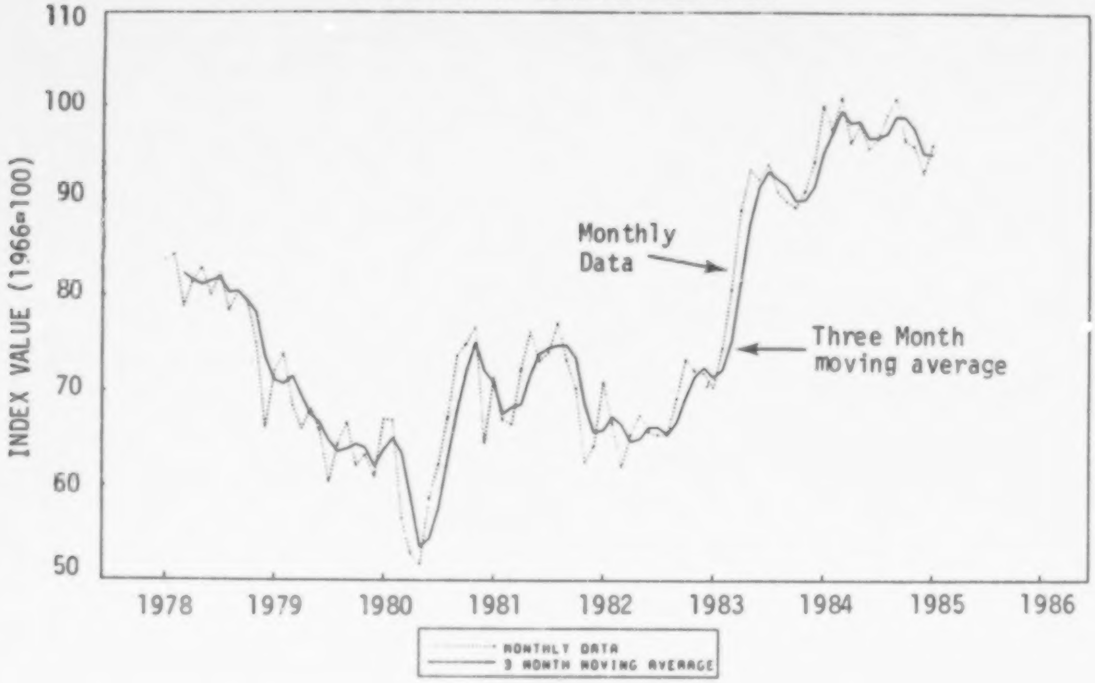
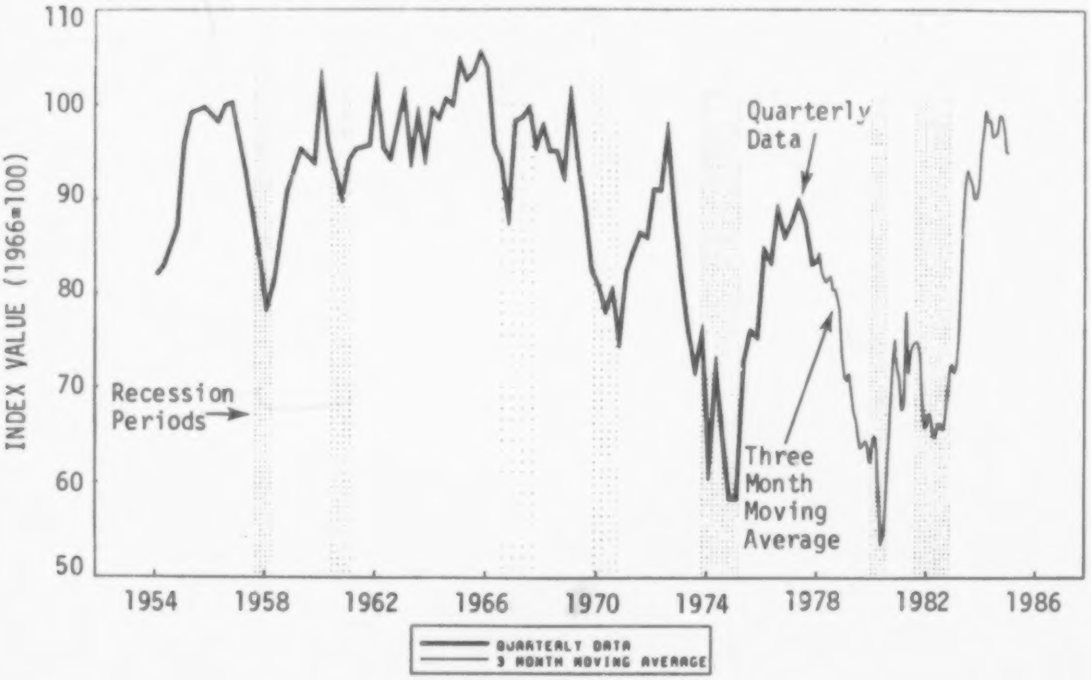


CHART 1 - HISTORICAL SERIES

THE INDEX OF CONSUMER SENTIMENT



DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES:	November	1948	-	October	1949
	July	1953	-	May	1954
	August	1957	-	April	1958
	April	1960	-	February	1961
	June	1966	-	November	1967*
	December	1969	-	November	1970
	November	1973	-	March	1975
	January	1980	-	July	1980
	July	1981	-	November	1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

Reported Percentages	Number of Interviews		
	700[b]	1,400[c]	2,100[d]
50	4.2	3.2	2.8
30 or 70	3.8	2.9	2.5
20 or 80	3.4	2.6	2.2
10 or 90	2.5	1.9	1.6
5 or 95	1.8	1.4	1.2

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

8/12/85

Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

CONFIDENCE MAINTAINED AT HIGH LEVELS

- **In the July 1985 survey, the Index of Consumer Sentiment was 94.0, slightly below the 96.5 recorded one month earlier, and the 96.6 recorded one year earlier. Discounted prices and reduced interest rates have maintained buying attitudes at record favorable levels.**

- **Among families with incomes of $25,000 or more, the Index was 102.6 in the July 1985 survey, down from 104.3 in June and 102.8 in July of 1984.**

- **Favorable attitudes toward buying conditions for homes and vehicles reached new record levels in the July 1985 survey. Among all families, 73 percent favorably rated home buying conditions, up from 52 percent one year earlier. Favorable attitudes toward vehicle purchases were held by 67 percent of all families in the July 1985 survey, above the 62 percent recorded one year earlier. Discounted prices and reduced interest rates were the primary factors underlying these very positive attitudes.**

- **The passage of tax reform legislation was expected by 46 percent of all families in the July 1985 survey, compared with 41 percent that did not expect passage of a tax simplification proposal. Prospects for passage have increased since the start of 1985, when respondents more frequently expected that a proposal would not be passed—48 versus 42 percent. The majority of respondents, in the most recent survey and at the start of 1985, thought that this tax legislation would leave their net financial situation unchanged.**

- **The majority of consumers thought that the economy had improved during the past year (56 percent), the majority expected the economy's performance to remain the same as now during the year ahead (57 percent), and the majority expected that this would mean the continuation of good times financially in the economy as a whole (58 percent).**

- **The aggregate unemployment rate was expected to remain at its current level during the year ahead by the majority of respondents in the July 1985 survey (58 percent). Increases in the unemployment rate were expected almost twice as frequently as declines in the July 1985 survey (27 versus 14 percent), the reverse of the balance of opinion recorded one year earlier (19 versus 26 percent). Future job prospects represent the most important concern voiced by consumers with the expected continuation of slow economic growth.**

● ● ●

The persistence of consumer sentiment at very favorable levels points toward the maintenance of consumer sales at high levels through the start of 1986. Recent declines in interest rates on vehicle and mortgage loans have reestablished buying attitudes to cyclical peak levels.

Monitoring Economic Change Program
Institute for Social Research • P.O. Box 1248 • Ann Arbor, Michigan 48106-1248 • (313) 763-5224

Favorable Buying Attitudes Set New Record Levels

Favorable attitudes toward buying conditions for homes were held by 73 percent of all families in the July 1985 survey, the highest proportion recorded in more than 30 years. This represents a small improvement over the June figure of 67 percent which was the prior record high, and a substantial improvement over the 52 percent recorded one year earlier. Favorable references to home prices and mortgage interest rates were given in support of the favorable home buying attitudes. Among all families in the July 1985 survey, 22 percent referred to the availability of discounted home prices, up from 13 percent one year earlier. In comparison, just 11 percent of all families complained about high housing prices in the July 1985 survey. References to the current availability of reduced mortgage interest rates were made by 51 percent of all families in the July survey, the highest level ever recorded, and more than twice the 21 percent recorded one year earlier (see Table A).

Favorable attitudes toward buying conditions for cars were held by 67 percent of all families in the July 1985 survey, unchanged from the June reading, and just above the year earlier figure of 62 percent. Unfavorable attitudes toward car purchases fell to 23 percent in the July 1985 survey, from 26 percent one month earlier, and 28 percent one year earlier. On balance, the July 1985 survey recorded the most favorable attitudes toward buying conditions for cars in over 30 years. Price discounts and reduced interest rates were the primary factors behind these favorable views. Among all families in the July 1985 survey, 24 percent referred to the availability of price discounts on vehicles, while 33 percent mentioned the availability of reduced interest rates on vehicle loans.

The proportion of families that held favorable attitudes toward buying conditions for large household durables was 74 percent in the July 1985 survey, unchanged from one month earlier, and just below the peak of 77 percent recorded three months earlier. The availability of discounted prices on household durables continues to be the dominant factor supporting these favorable views. Among all families in the July 1985 survey, 36 percent referred to the availability of discounted prices, compared with just 11 percent that registered complaints about high prices.

Tax Simplification

Repeating questions asked earlier in 1985, respondents were asked in the July survey whether they expected Congress to adopt reforms in the personal income tax codes, so as to eliminate deductions and lower tax rates. Among all families, 46 percent expected passage of this tax reform legislation, up from 42 percent at the start of the year (see Table B). Passage of the tax reform measure was not expected by 41 percent of all families in July, down from 48 percent at the start of 1985.

Respondents were also asked whether they expected to be better or worse off financially if Congress did enact this type of tax reform. The majority of families expected this type of simplification in the tax law to have no net effect on their financial situation in both the July (55 percent) and January-February 1985 (56 percent) surveys. An improved financial situation was expected by 18 percent of all families, just below the 20 percent that expected a worsened financial situation as a result of the tax reform. At the start of 1985 these two proportions were the exact reverse: 20 percent expected to be better off, while 18 percent expected to be worse off financially—an insignificant shift in opinion.

There were only small variations in these opinions among residents of the four major geographic regions (see Table C). In each region, passage of the tax simplification legislation was the most common expectation, except among residents of the North Central states. And the majority of families in each region expected the tax reform to leave their net financial situation unchanged. Residents of the North Central and Northeast were slightly more likely to expect the change in tax laws to worsen their financial situation (23 percent), compared with residents of the Southern (17 percent) and Western (18 percent) regions. Residents of the Southern region were the most likely to expect the tax reform to improve their personal financial situation (21 percent), but this was only slightly more frequent than among residents of recorded in the other regions (17 percent).

Confidence in government economic policies to reduce inflation and unemployment was maintained at very favorable levels in the July 1985 survey. Among all families, 31 percent favorably rated government economic policies, more than twice the 14 percent that gave unfavorable ratings. The frequency of unfavorable ratings in the July 1985 survey (14 percent) is the lowest level recorded in more than a decade, and substantially below the peak of 50 percent that was recorded in November 1980.

Personal Finances

The personal financial situation of American families remained largely unchanged in the July 1985 survey from one month and one year earlier, despite slowing income growth. Among all families, 42 percent reported being better off financially, and 35 percent expected their financial situation to improve during the year ahead. Just 11 percent of all families expected financial reversals during the year ahead in the July 1985 survey.

The proportion of families in the July 1985 survey that expected income increases fell to 54 from 64 percent one year earlier. This decline in expected income growth has beer offset by lower expected rates of inflation. In the July 1985 survey, consumers expected the annual inflation rate to average 4.3% in the upcoming year, down from 4.5% in July 1984.

Business Conditions

Fewer consumers reported that the national economy had improved in the July 1985 survey than one year earlier—56 down from 67 percent. And fewer consumers expected the economy to improve during the year ahead—26 percent in July 1985, down from 32 percent one year earlier. Although the slowdown in economic growth is widely anticipated to continue, few consumers expected the economy to slip into recession during the year ahead—14 percent.

The majority (58 percent) of consumers expected the aggregate unemployment rate to remain largely unchanged during the year ahead in the July 1985 survey. Twenty-seven percent of all families expected increases in the unemployment rate, while 14 percent expected declines. In contrast, one year ago, expected declines in unemployment were more frequent than expected increases by a margin of 26 to 19 percent.

Thirty-five percent of all families expected interest rates to increase in the July 1985 survey, down from 58 percent one year earlier. During the past year, the proportion that expected interest rate declines rose to 25 percent from 11 percent in July 1984. The most common expectation was that interest rates would remain unchanged at their current levels during the year ahead. This expectation of unchanged interest rates was held by 38 percent of all families in July 1985, up from 27 percent one year earlier.

• • •

The July 1985 survey included 641 completed interviews, conducted between July 1 and July 31, 1985.

TABLE A

REFERENCES TO INTEREST RATES IN SUPPORT OF FAVORABLE BUYING CONDITIONS

Survey Date	Durables		Houses[a]		Vehicles	
	Low Rates	BiA Rates	Low Rates	BiA Rates	Low Rates	BiA Rates
January 1980	1%	2%	na	na	1%	1%
February 1980	1	2	2	7	1	2
March 1980	1	4	na	na	1	2
April 1980	*	3	*	3	3	1
May 1980	*	2	3	3	*	1
June 1980	2	1	14	2	2	1
July 1980	4	1	17	6	2	1
August 1980	3	2	19	9	3	1
September 1980	1	2	11	11	2	2
October 1980	1	3	6	10	1	2
November 1980	*	2	2	8	1	2
December 1980	1	2	1	5	2	2
January 1981	*	2	1	3	4	1
February 1981	1	2	2	5	2	1
March 1981	1	*	1	4	1	1
April 1981	*	2	3	6	2	1
May 1981	1	2	4	3	3	1
June 1981	*	1	1	4	2	1
July 1981	1	1	2	4	2	1
August 1981	2	1	3	5	4	1
September 1981	*	1	3	3	4	2
October 1981	*	1	1	3	4	*
November 1981	1	1	2	2	5	*
December 1981	1	1	4	2	4	1
January 1982	2	1	5	3	4	2
February 1982	1	1	4	3	3	*
March 1982	*	1	3	2	3	*
April 1982	1	*	4	2	7	*
May 1982	2	1	3	3	10	1
June 1982	1	1	5	2	6	1
July 1982	1	1	2	2	4	1
August 1982	1	1	3	4	5	1
September 1982	3	1	16	4	9	1
October 1982	4	1	19	4	10	1
November 1982	5	*	25	5	19	1
December 1982	6	2	30	5	26	1

REFERENCES TO INTEREST RATES IN SUPPORT OF FAVORABLE BUYING CONDITIONS(Cont'd)

Survey Date	Durables		Houses[a]		Vehicles	
	Low Rates	BiA Rates	Low Rates	BiA Rates	Low Rates	BiA Rates
January 1983	7%	*	33%	4%	27%	2%
February 1983	7	1	35	5	34	1
March 1983	7	1	38	6	33	1
April 1983	12	2	46	8	38	2
May 1983	12	1	49	6	38	2
June 1983	13	3	49	12	38	2
July 1983	14	2	40	9	34	3
August 1983	11	1	33	11	30	3
September 1983	9	3	35	12	25	3
October 1983	6	1	29	9	17	2
November 1983	6	2	29	11	20	2
December 1983	6	1	30	11	16	3
January 1984	8	1	33	8	20	3
February 1984	9	2	38	12	19	3
March 1984	8	2	36	13	19	3
April 1984	8	6	29	23	15	7
May 1984	7	4	24	20	14	4
June 1984	7	4	21	17	12	6
July 1984	5	5	21	16	16	8
August 1984	6	2	22	13	12	5
September 1984	6	2	22	12	11	4
October 1984	7	4	24	11	10	4
November 1984	8	3	33	11	15	3
December 1984	8	2	32	6	12	3
January 1985	10	1	42	7	21	2
February 1985	9	2	42	8	23	1
March 1985	8	2	38	10	21	2
April 1985	10	3	34	13	22	3
May 1985	9	2	35	8	25	3
June 1985	11	2	50	6	32	3
July 1985	13	1	51	6	33	2

* Less than 0.5 percent.

[a] Also includes homes, home repairs and real estate.

NOTE: The proportions given above provide greater detail than is reported in the monthly tables (see Tables 27, 29 and 31). The monthly tables report the total proportion of respondents that made favorable references to credit conditions. The figures above divide this total into those respondents that referred to the current availability of low interest rates, and those that referred to buying-in-advance of rising interest rates.

TABLE B

TAX REFORM PROPOSAL: EXPECTED PASSAGE AND IMPACT ON PERSONAL FINANCES

	Jan – Feb 1985	July 1985
Expect Congress to make changes in Tax Laws:		
Yes	42%	46%
No	48	41
Don't know	6	9
NA	4	4
Total	100%	100%
Cases	1295	641
Expected Impact on Personal Finances		
Better off	20%	18%
Same; no difference	56	55
Worse off	18	20
Don't know	3	3
NA	3	4
Total	100%	100%
Cases	1295	641

TABLE C

TAX REFORM PROPOSAL: EXPECTED PASSAGE AND IMPACT ON PERSONAL FINANCES BY REGION

JULY 1985

	West	North Central	Northeast	South
Expect Congress to make changes in Tax Laws:				
Yes	47%	40%	45%	51%
No	37	46	39	39
Don't know	12	10	6	8
NA	4	4	10	2
Total	100%	100%	100%	100%
Cases	146	182	112	201
Expected Impact on Personal Finances				
Better off	16%	17%	17%	21%
Same; no difference	58	54	49	57
Worse off	18	23	23	17
Don't know	4	3	1	3
NA	4	3	10	2
Total	100%	100%	100%	100%
Cases	146	182	112	201

The questions were: "Lately there has been a lot of talk about changing the way federal income taxes are figured for individual taxpayers, so as to eliminate deductions and lower tax rates. Do you expect Congress to make this type of change in the tax laws?" and "Do you think that you (and your family living there) will be better off or worse off financially if Congress makes this change in the tax laws, or won't it make much difference to your financial situation?"

9/16/85

47475-2A

SURVEYS OF CONSUMER ATTITUDES

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TABLES AND CHARTS

AUGUST 1985

The August 1985 survey is the 203rd in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

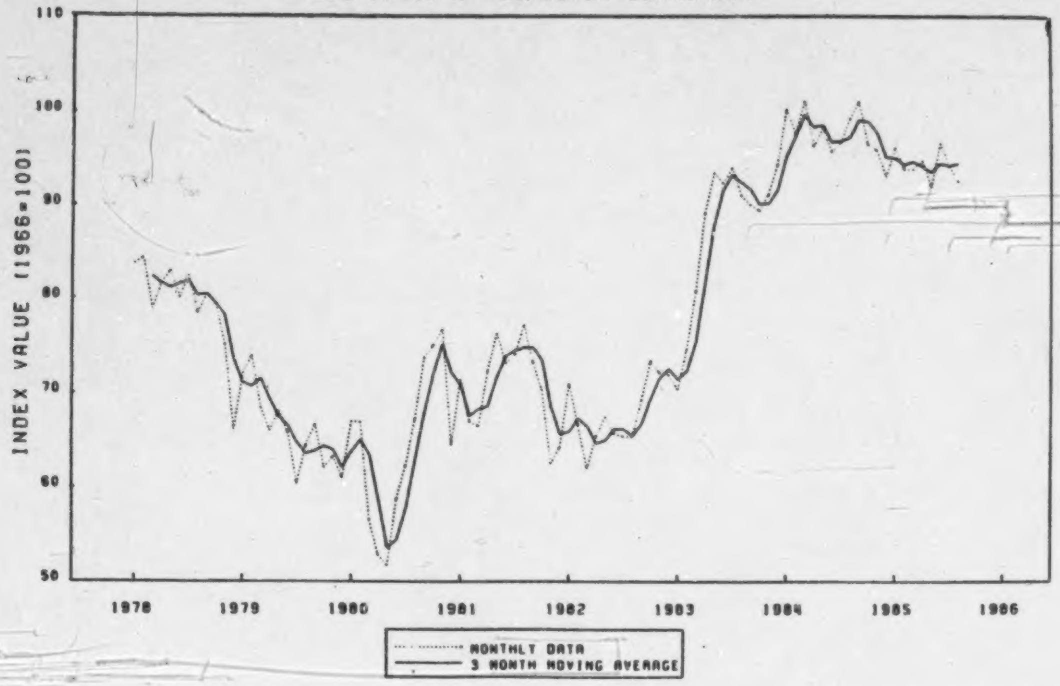


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

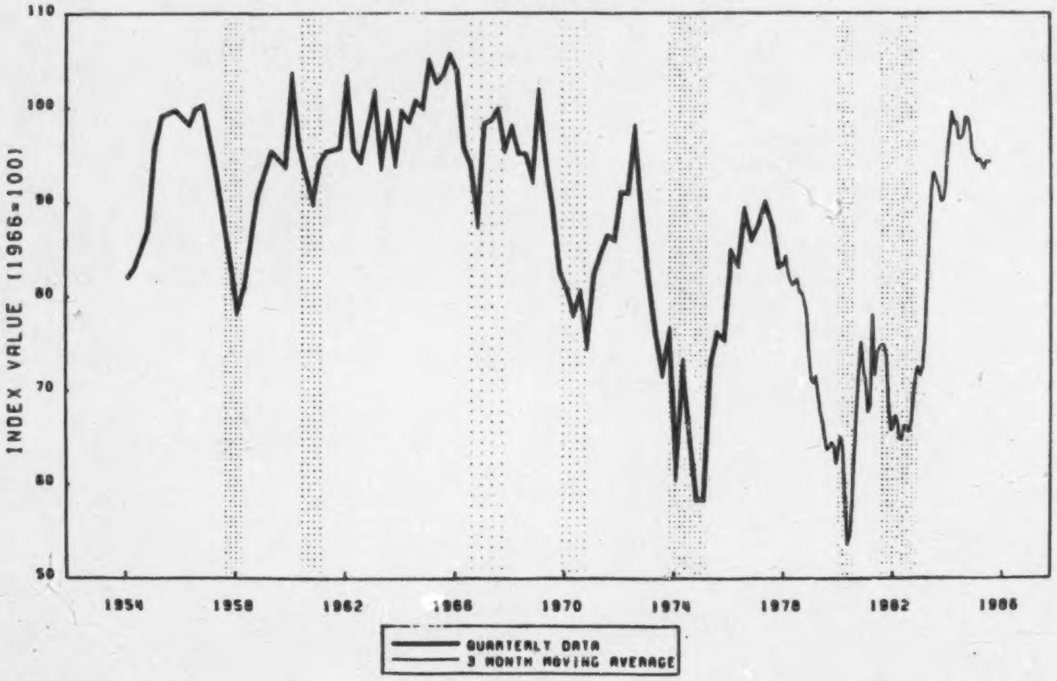


TABLE 1

THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY		All families	Families with incomes over $20,000	Families with incomes over $25,000
August	1982	65.4	71.0	73.6
September	1982	69.3	78.4	81.1
October	1982	73.4	77.5	80.9
November	1982	72.1	79.3	81.1
December	1982	71.9	78.0	80.5
January	1983	70.4	78.2	78.8
February	1983	74.6	79.9	81.3
March	1983	80.8	88.4	88.9
April	1983	89.1	97.1	99.0
May	1983	93.3	99.6	101.0
June	1983	92.2	101.2	102.5
July	1983	93.9	104.4	106.5
August	1983	90.9	101.2	103.5
September	1983	89.9	99.0	102.3
October	1983	89.3	99.5	101.9
November	1983	91.1	97.2	98.8
December	1983	94.2	101.7	104.5
January	1984	100.1	112.0	114.2
February	1984	97.4	109.6	111.2
March	1984	101.0	110.9	114.2
April	1984	96.1	103.9	105.5
May	1984	98.1	105.6	107.1
June	1984	95.5	104.4	104.5
July	1984	96.6	103.2	102.8
August	1984	99.1	106.7	109.2
September	1984	100.9	109.7	111.7
October	1984	96.3	106.2	107.7
November	1984	95.7	108.6	111.0
December	1984	92.9	99.2	100.1
January	1985	96.0	104.1	106.7
February	1985	93.7	105.4	107.4
March	1985	93.7	106.5	108.8
April	1985	94.6	102.8	107.9
May	1985	91.8	99.5	100.3
June	1985	96.5	101.2	104.3
July	1985	94.0	100.0	102.6
August	1985	92.4	99.4	104.1

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

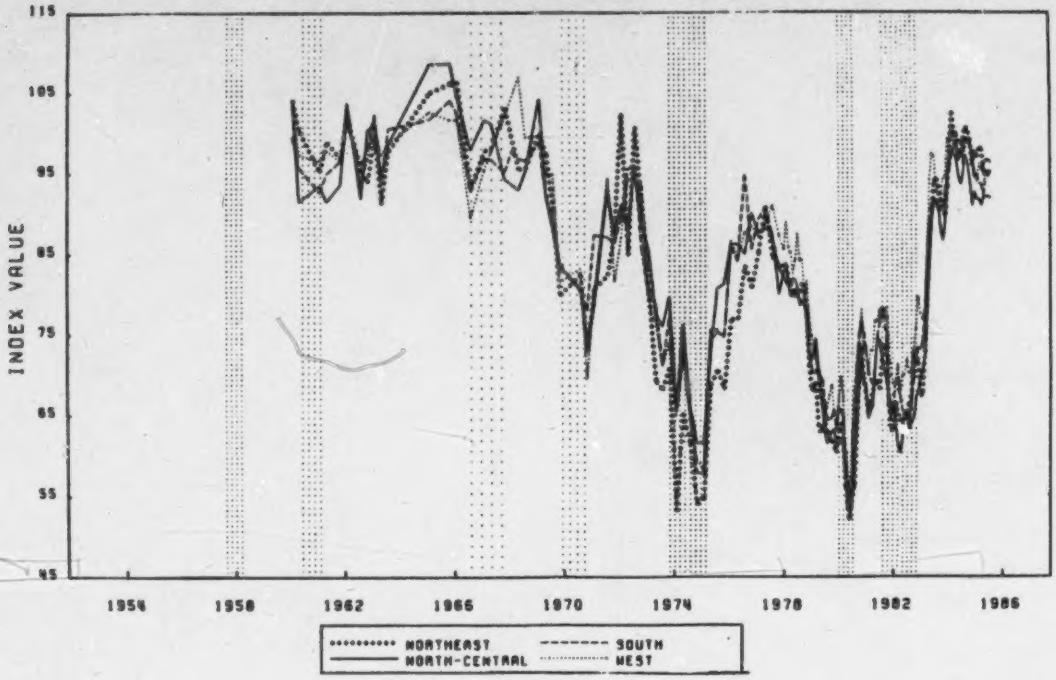


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

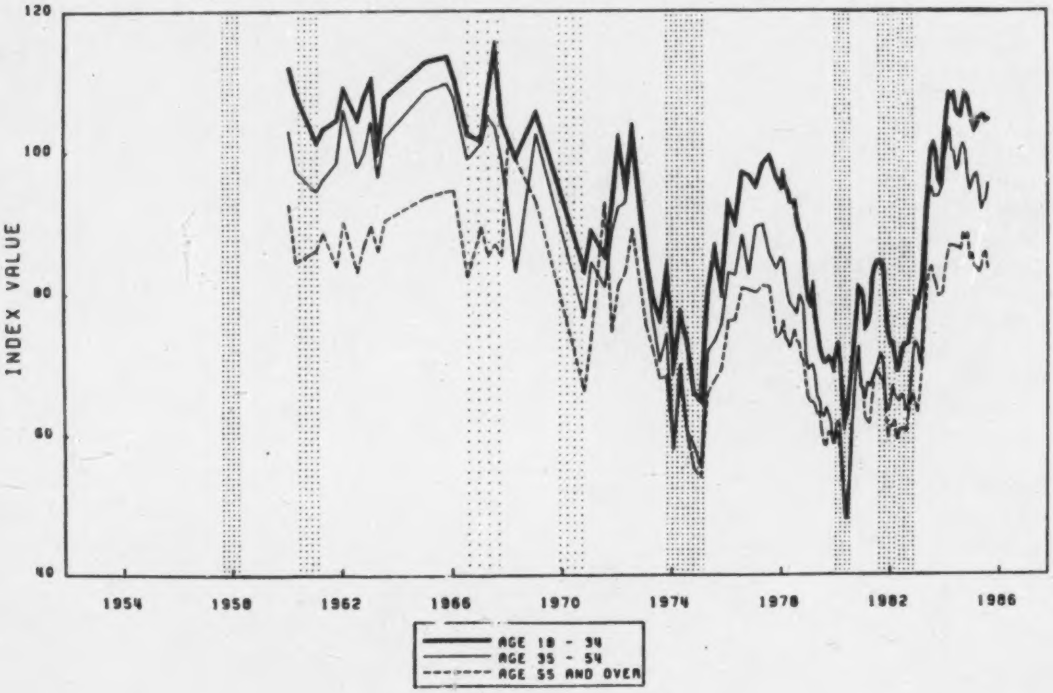


TABLE 2

INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

DATE OF SURVEY		CENSUS REGION				AGE OF RESPONDENT		
		North East	North Central	South	West	18-34	35-54	55+
August	1982	68.1	60.6	64.0	70.6	72.6	62.9	60.2
September	1982	70.3	67.2	71.1	68.8	73.0	66.7	68.0
October	1982	77.8	66.2	74.1	79.3	81.2	72.1	65.5
November	1982	70.6	67.9	73.2	79.3	76.6	75.7	63.8
December	1982	66.1	70.0	72.5	80.4	78.9	71.7	64.2
January	1983	64.9	70.5	73.6	72.8	78.8	70.0	62.0
February	1983	72.1	72.3	75.8	77.2	82.1	68.3	72.4
March	1983	82.9	73.7	82.7	84.4	84.9	81.5	75.5
April	1983	89.1	88.0	87.2	95.6	95.8	90.5	80.5
May	1983	86.3	90.7	93.3	102.7	97.2	97.1	84.9
June	1983	95.1	88.7	92.5	94.1	97.8	94.4	83.9
July	1983	98.3	93.8	89.9	94.3	106.0	93.6	83.0
August	1983	89.6	92.0	91.3	89.6	99.2	92.9	80.0
September	1983	92.6	87.8	89.3	90.8	94.8	94.5	80.9
October	1983	89.9	83.7	91.5	93.5	94.2	93.8	77.8
November	1983	87.7	88.3	91.5	98.5	97.2	94.6	80.7
December	1983	91.4	96.2	95.2	92.2	102.3	97.5	81.8
January	1984	100.7	96.8	97.5	107.5	107.9	106.0	87.4
February	1984	102.3	98.4	93.5	97.1	106.2	98.9	86.5
March	1984	104.8	98.5	102.1	97.5	109.9	105.2	86.6
April	1984	92.5	95.3	98.2	99.3	106.5	95.9	87.0
May	1984	98.8	96.3	96.5	103.9	107.5	98.8	86.6
June	1984	100.1	92.1	95.0	93.7	103.0	97.1	85.9
July	1984	94.3	92.5	100.5	99.3	104.9	98.2	87.1
August	1984	103.1	100.2	97.5	95.4	106.8	105.3	85.2
September	1984	105.0	99.3	99.7	99.9	108.5	99.9	93.3
October	1984	92.5	89.4	100.9	101.7	108.9	95.5	84.2
November	1984	100.3	93.3	95.6	94.1	105.5	94.0	88.1
December	1984	94.8	90.3	93.4	94.0	102.9	94.1	82.2
January	1985	98.2	94.5	94.6	97.8	104.2	99.0	86.6
February	1985	97.9	90.4	96.6	89.7	102.0	97.0	82.3
March	1985	98.3	90.6	89.8	101.1	104.7	94.7	82.0
April	1985	98.1	91.7	94.8	95.3	106.9	92.9	84.3
May	1985	88.7	94.0	91.9	91.3	103.2	87.9	84.6
June	1985	97.7	90.4	99.0	103.6	105.0	97.8	87.9
July	1985	98.4	91.8	92.9	94.8	104.4	93.7	84.8
August	1985	90.7	93.4	93.6	90.6	104.2	94.9	77.3

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

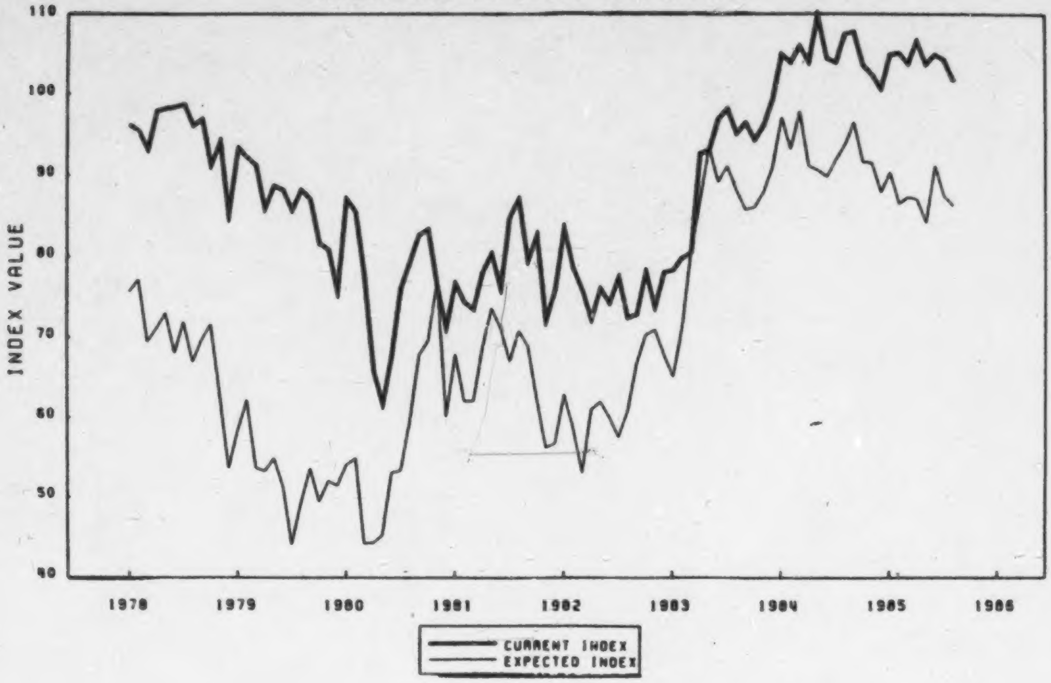


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS

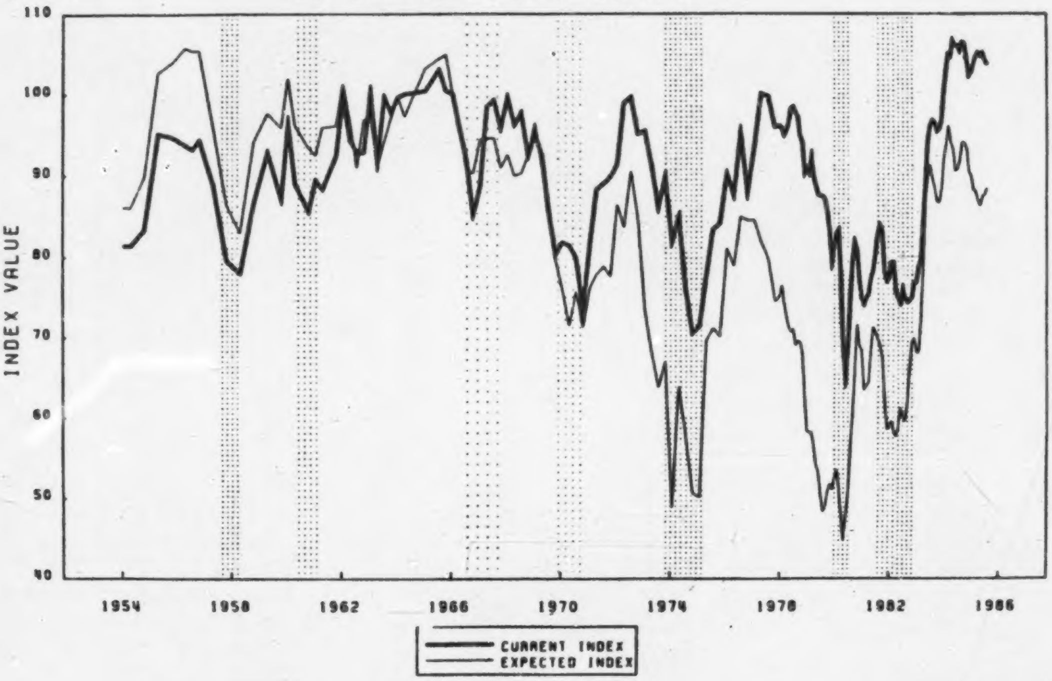


TABLE 3

COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

INDEX COMPONENTS +

	Personal finances		Business conditions				
DATE OF SURVEY	Current (1)	Expected (2)	12 months (3)	5 years (4)	Buying conds. (5)	Current Index (1,5)	Expected Index (2,3,4)
August 1982	89	110	64	69	97	72.5	60.9
September 1982	89	116	76	74	98	72.9	66.9
October 1982	95	119	79	83	106	78.1	70.4
November 1982	85	121	77	86	105	73.8	71.0
December 1982	90	117	74	80	111	78.1	67.9
January 1983	91	115	76	69	111	78.4	65.2
February 1983	89	117	87	81	117	79.9	71.2
March 1983	92	126	113	85	115	80.5	80.9
April 1983	108	131	120	99	131	92.7	86.9
May 1983	101	137	139	100	139	93.1	93.4
June 1983	110	128	134	97	141	96.9	89.2
July 1983	111	126	136	104	143	98.1	91.1
August 1983	106	124	130	100	140	95.1	88.2
September 1983	109	125	125	95	140	96.4	85.8
October 1983	104	124	124	98	140	94.3	86.1
November 1983	111	127	129	98	138	96.1	87.9
December 1983	123	125	140	102	134	99.3	91.0
January 1984	117	129	154	108	155	104.9	97.0
February 1984	119	130	139	106	151	103.9	93.2
March 1984	122	135	146	113	153	106.0	97.7
April 1984	117	124	136	106	153	103.9	91.1
May 1984	121	129	131	105	164	109.8	90.6
June 1984	126	124	131	106	145	104.4	89.8
July 1984	117	124	133	113	152	103.9	91.9
August 1984	125	129	137	111	153	107.5	93.7
September 1984	125	131	142	116	154	107.8	96.4
October 1984	118	127	134	107	150	103.6	91.6
November 1984	121	129	132	107	144	102.4	91.5
December 1984	118	125	131	98	143	100.6	87.9
January 1985	119	124	135	104	153	104.9	90.3
February 1985	115	120	131	96	158	105.1	86.5
March 1985	112	123	133	96	156	103.7	87.3
April 1985	116	127	128	95	161	106.6	87.0
May 1985	116	120	121	97	152	103.7	84.2
June 1985	115	127	133	106	157	104.9	91.1
July 1985	116	124	129	98	154	104.3	87.4
August 1985	112	123	125	99	152	101.8	86.3

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

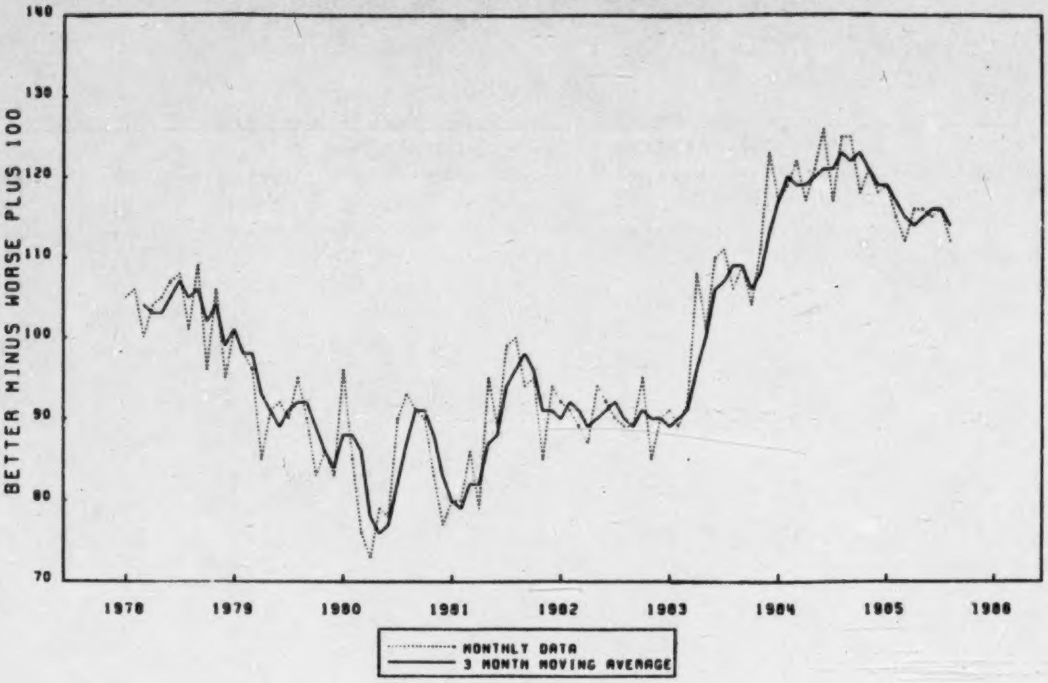


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

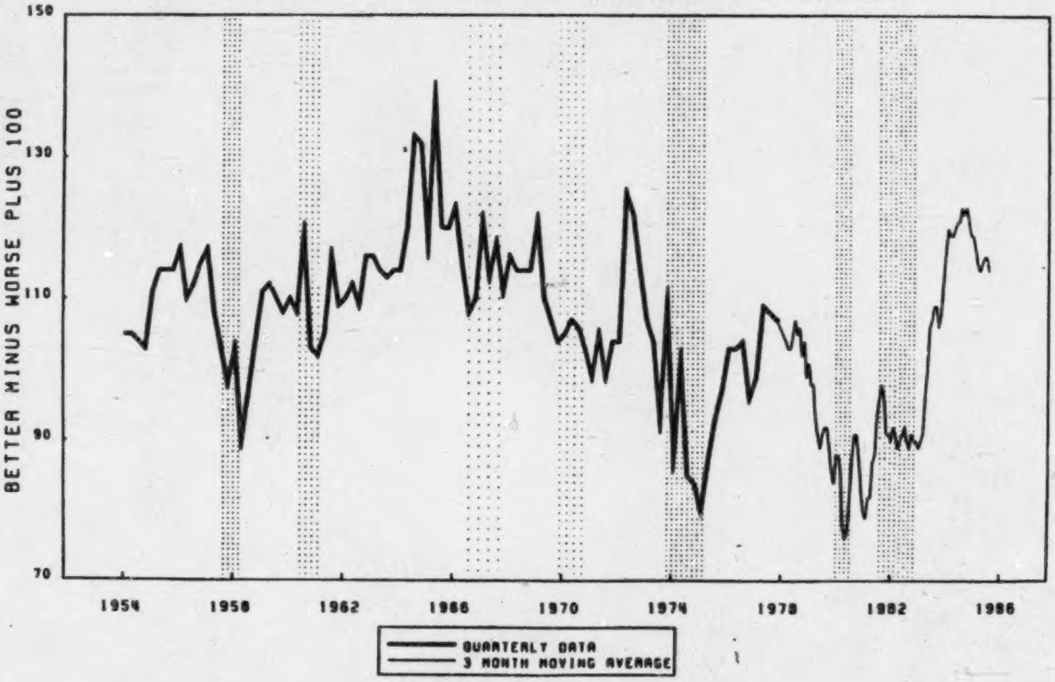


TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
BETTER OFF	48%	45%	44%	46%	44%	42%	42%	40%	41%	40%	43%	42%	41%
SAME	29	35	30	29	30	35	31	32	34	36	29	32	29
WORSE OFF	23	20	26	25	26	23	27	28	25	24	28	26	29
DK,NA	*	*	*	*	*	*	*	*	*	*	*	*	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

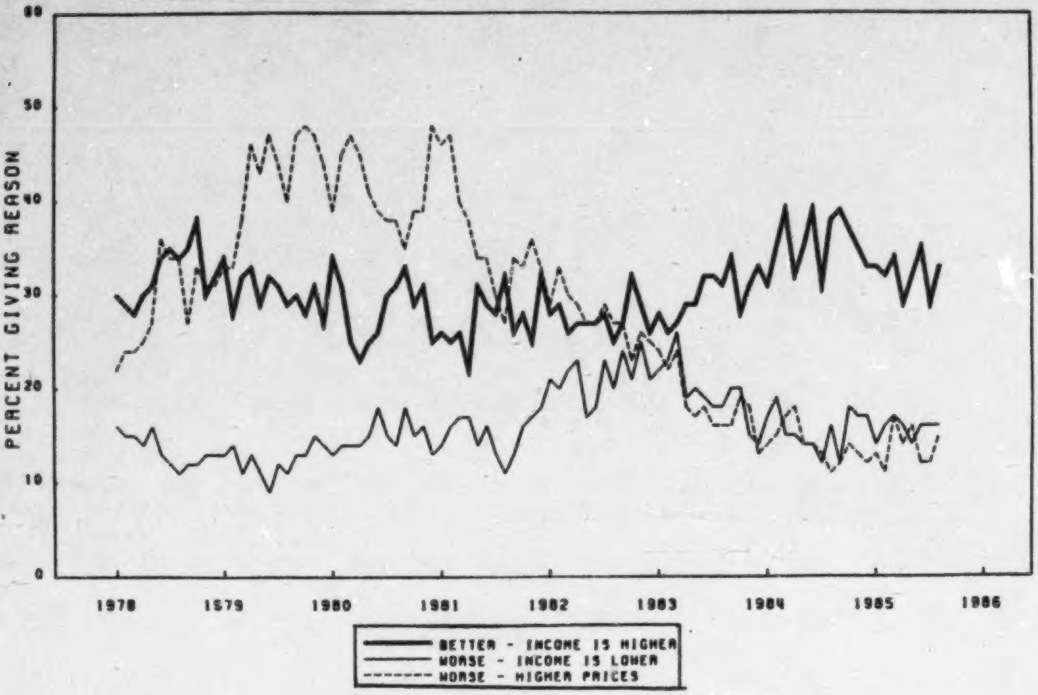


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

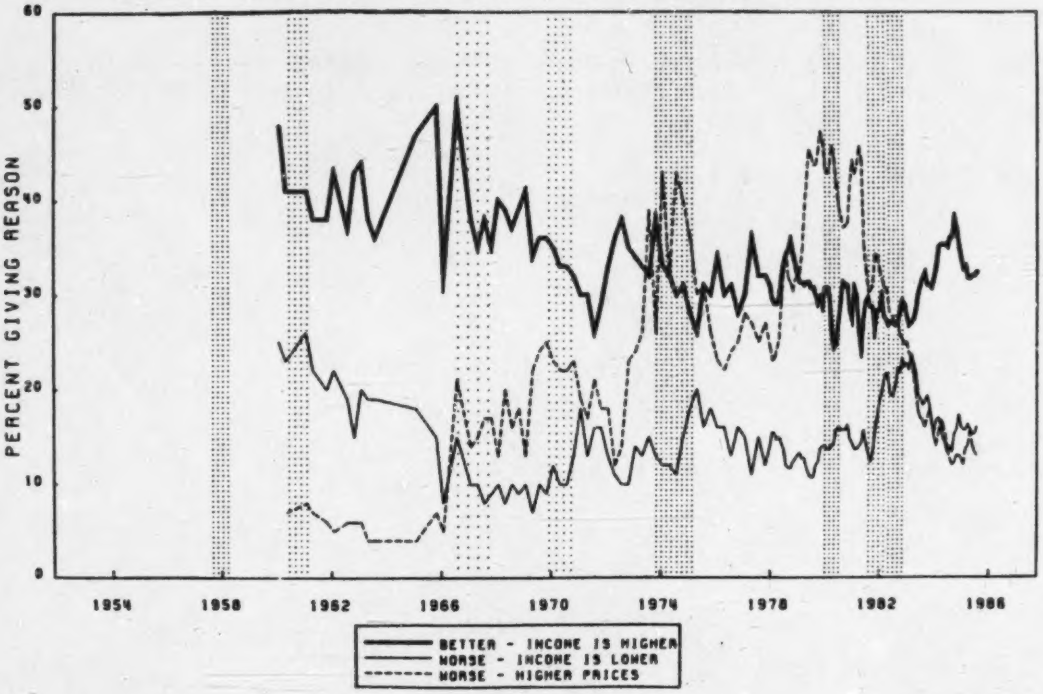


TABLE 5

SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
BETTER OFF THAN YEAR AGO:													
Income is higher	38%	39%	37%	35%	33%	33%	32%	34%	29%	32%	35%	29%	33%
WORSE OFF THAN YEAR AGO:													
Income is lower	16	12	18	17	17	14	16	17	16	14	16	16	16
Higher prices	11	12	14	13	12	13	11	17	14	16	12	12	15

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

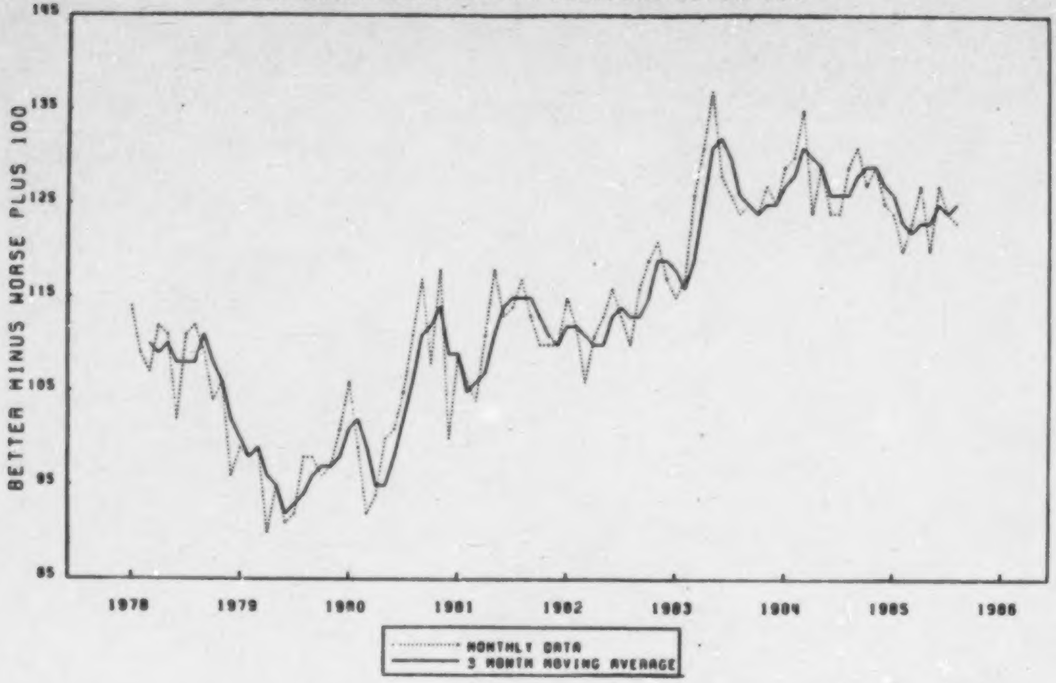


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION

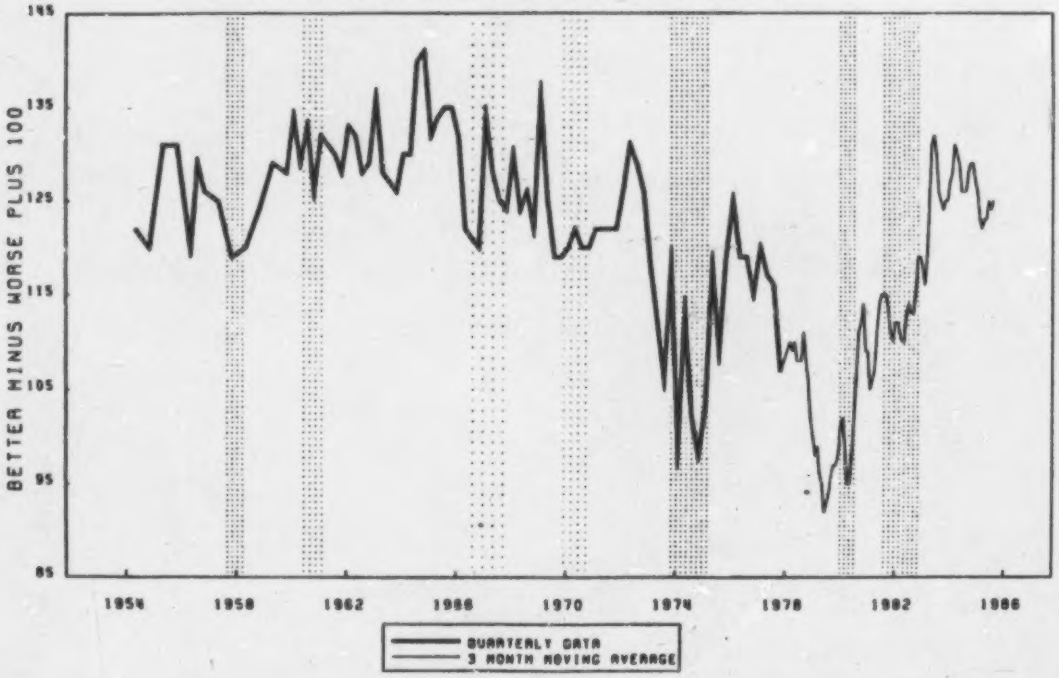


TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
BETTER OFF	38%	39%	38%	39%	36%	35%	33%	36%	37%	34%	36%	35%	36%
SAME	49	49	47	48	50	52	50	49	49	49	52	51	48
WORSE OFF	9	8	11	10	11	11	13	13	10	14	9	11	13
DK,NA	4	4	4	3	3	2	4	2	4	3	3	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

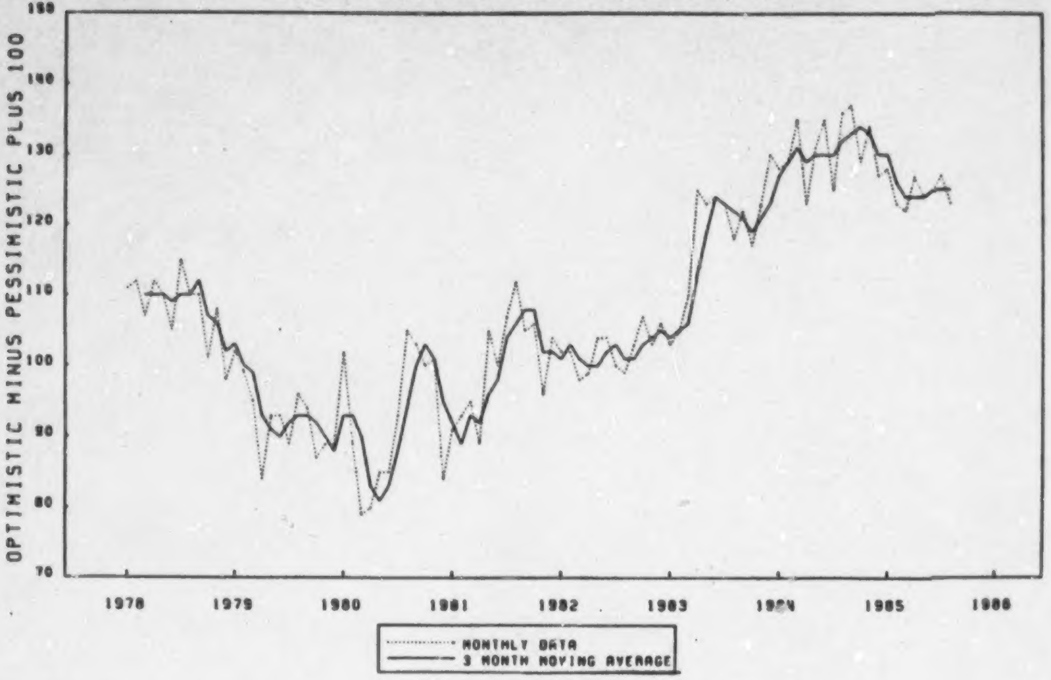


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION

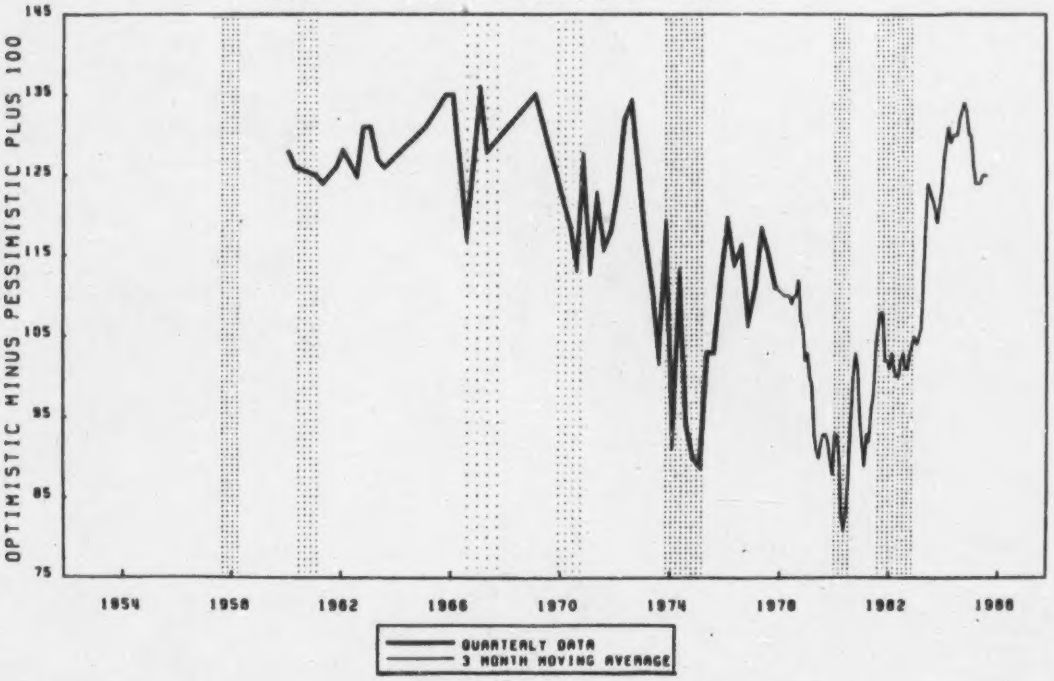


TABLE 7

TREND IN PERSONAL FINANCIAL SITUATION

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
PERSONAL FINANCIAL PROGRESS:													
Continuous increase (a)	24%	25%	21%	21%	23%	19%	20%	20%	22%	20%	22%	20%	19%
Intermittent increase (b)	30	28	28	32	25	28	24	26	26	26	25	26	25
Remain unchanged (c)	17	20	17	15	19	22	20	18	20	21	19	21	19
Intermittent decline (d)	13	12	15	14	15	15	15	18	16	16	17	13	14
Continuous decline (e)	5	4	5	5	6	4	6	6	5	6	5	6	7
Mixed change (f)	8	7	10	10	9	9	12	10	8	8	9	10	12
DK,NA	3	4	4	3	3	3	3	2	3	3	3	4	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME

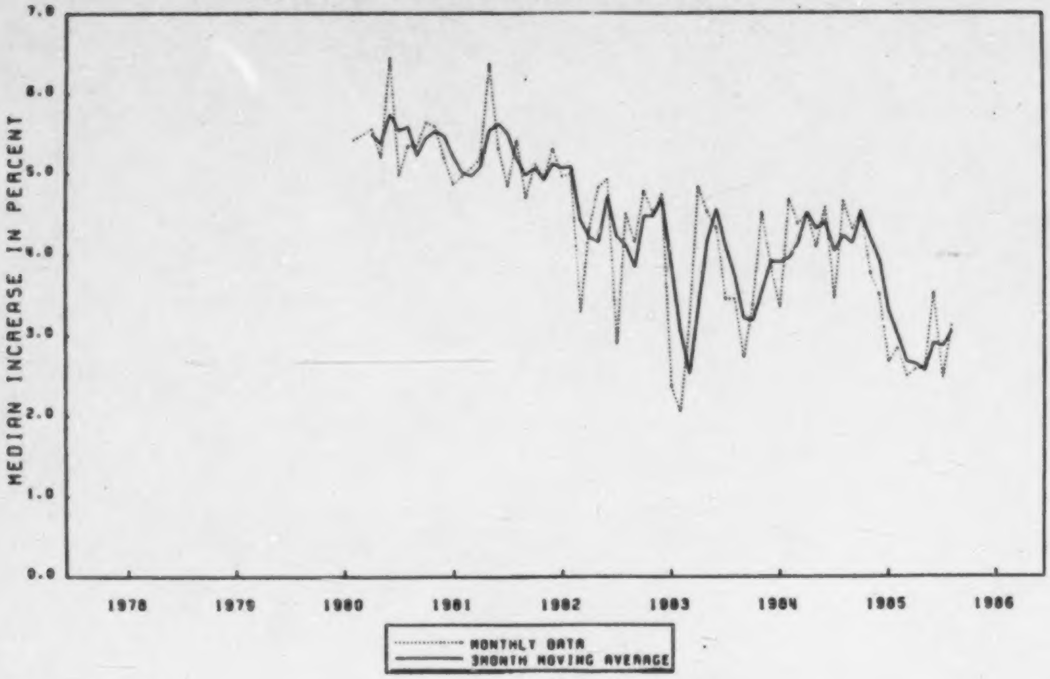


CHART 8 - HISTORICAL SERIES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME

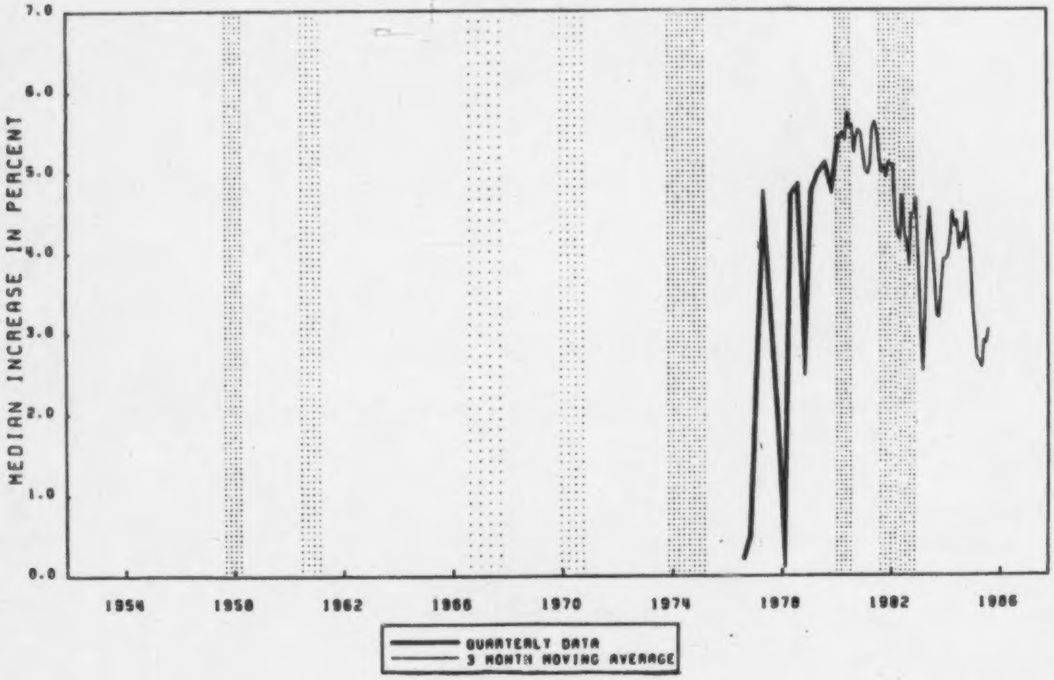


TABLE 8

EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
EXPECT INCREASE:													
1-4%	13%	15%	10%	13%	12%	12%	14%	12%	11%	16%	11%	13%	13%
5%	11	10	10	9	10	9	11	11	9	9	11	11	10
6-9%	11	10	8	7	8	9	6	7	7	5	7	7	8
10-24%	18	18	20	19	17	17	16	13	17	16	16	14	18
25% or more	7	7	8	8	7	6	7	8	8	7	10	6	5
DK how much up	3	4	5	6	7	3	3	4	3	4	4	3	3
EXPECT SAME	24	23	25	23	23	27	26	29	30	28	26	28	29
EXPECT DOWN	11	11	12	13	15	16	16	15	14	13	14	16	12
DK,NA	2	2	2	2	1	1	1	1	1	2	1	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES
INCOME OR PRICES UP MORE DURING THE LAST YEAR

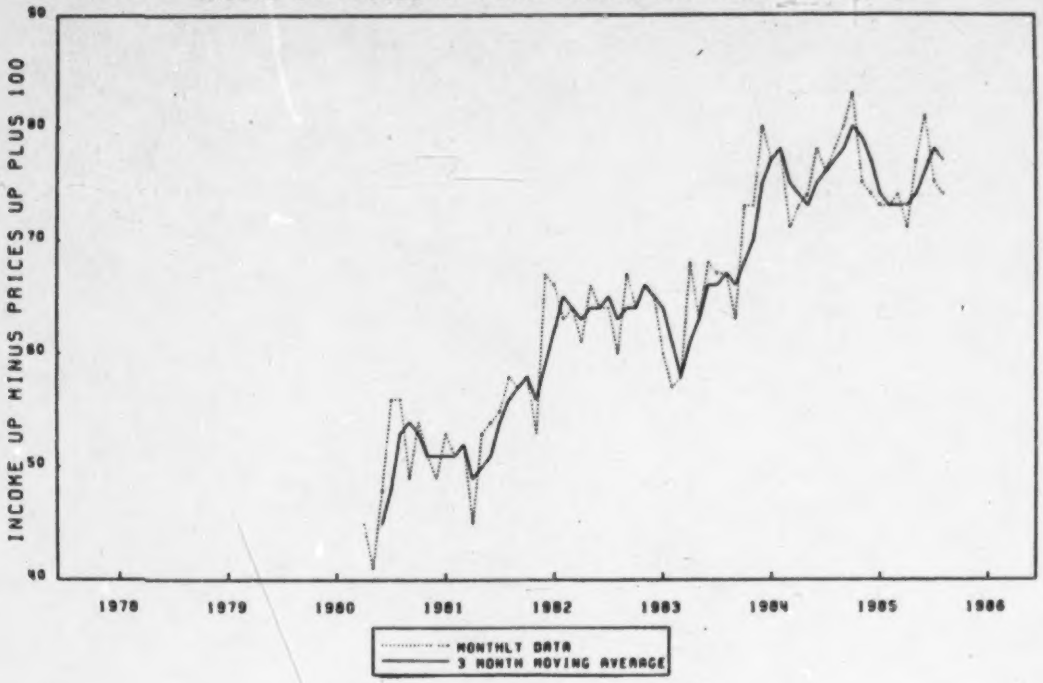


CHART 9 - HISTORICAL SERIES
INCOME OR PRICES UP MORE DURING THE LAST YEAR

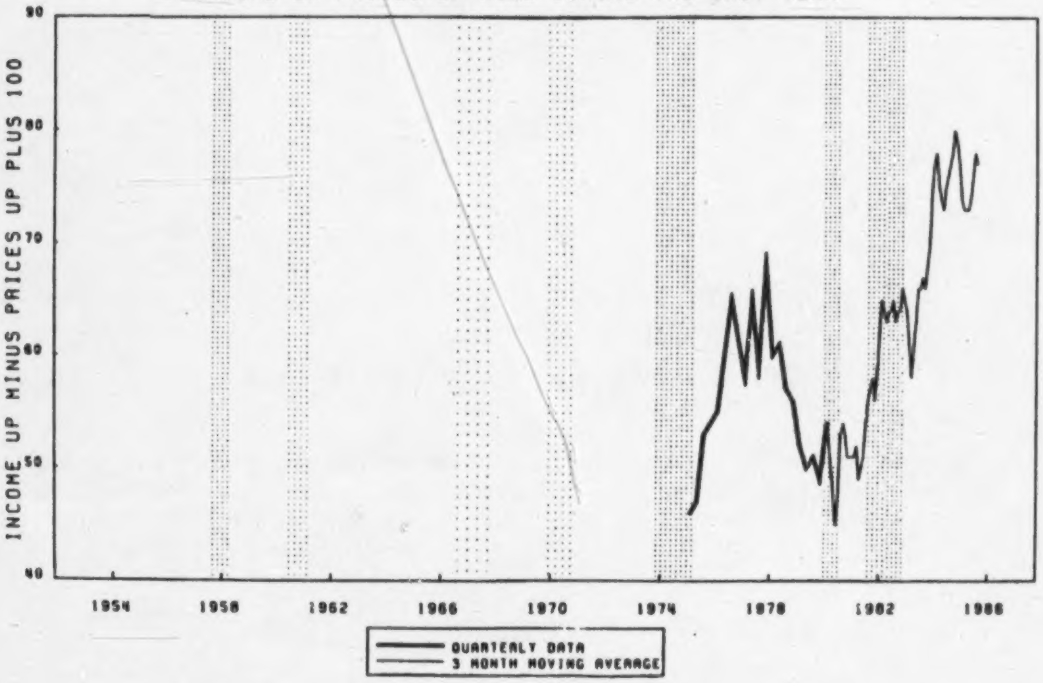


TABLE 9

PAST CHANGE IN REAL FAMILY INCOME

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1986	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
INCOME UP MORE	21%	22%	25%	21%	19%	16%	19%	19%	18%	22%	22%	19%	19%
INCOME UP SAME	34	36	31	31	35	40	34	35	34	32	35	36	34
PRICES UP MORE	43	42	42	46	45	43	46	45	47	45	41	44	45
DK,NA	2	*	2	2	1	1	1	1	1	1	2	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

* : Less than half of one percent.

CHART 10 - RECENT CHANGES
INCOME OR PRICES UP MORE NEXT YEAR

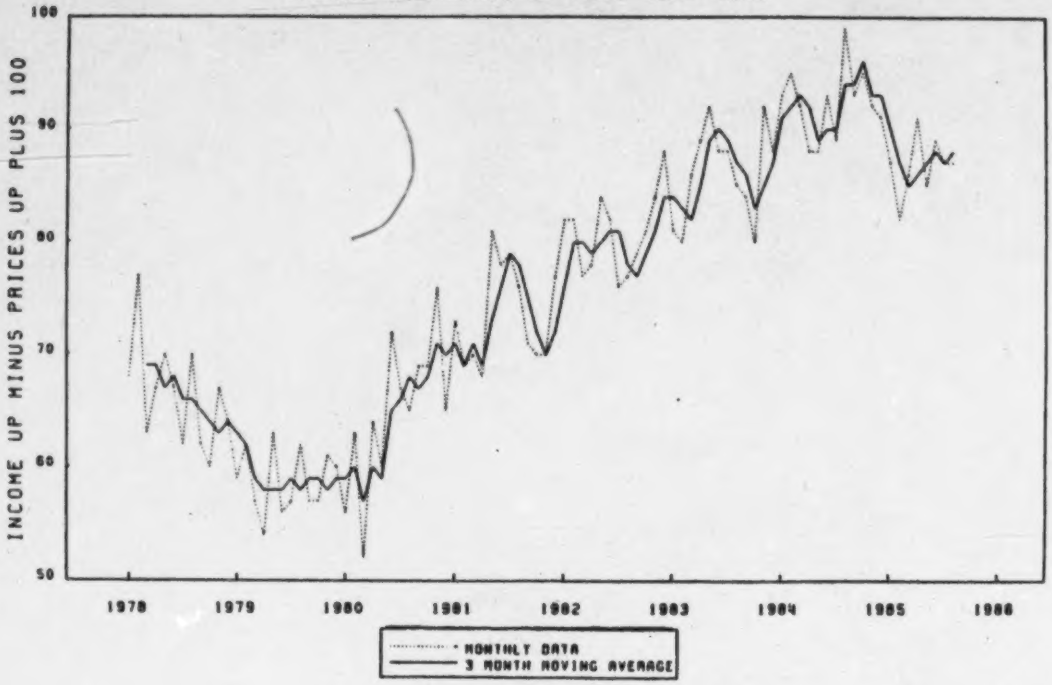


CHART 10 - HISTORICAL SERIES
INCOME OR PRICES UP MORE NEXT YEAR

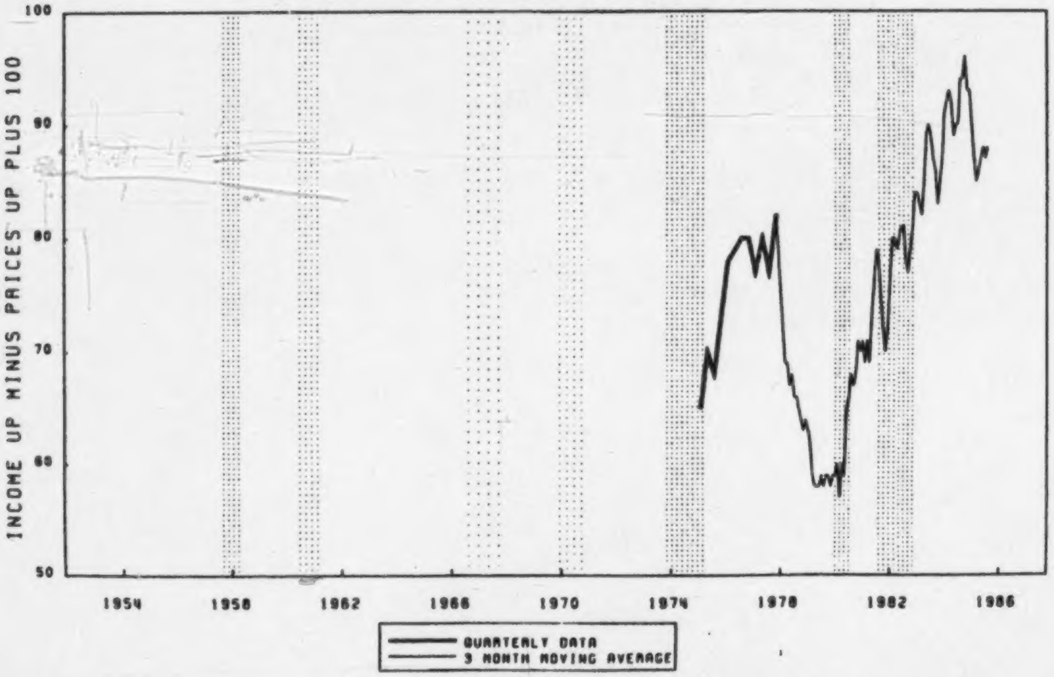


TABLE 10

EXPECTED CHANGE IN REAL FAMILY INCOME

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
INCOME UP MORE	25%	23%	25%	23%	21%	20%	20%	18%	23%	22%	19%	19%	22%
INCOME UP SAME	45	44	43	44	46	45	40	49	42	39	48	47	40
PRICES UP MORE	26	30	30	31	30	33	38	32	32	37	30	32	35
DK,NA	4	3	2	2	3	2	2	1	3	2	3	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON

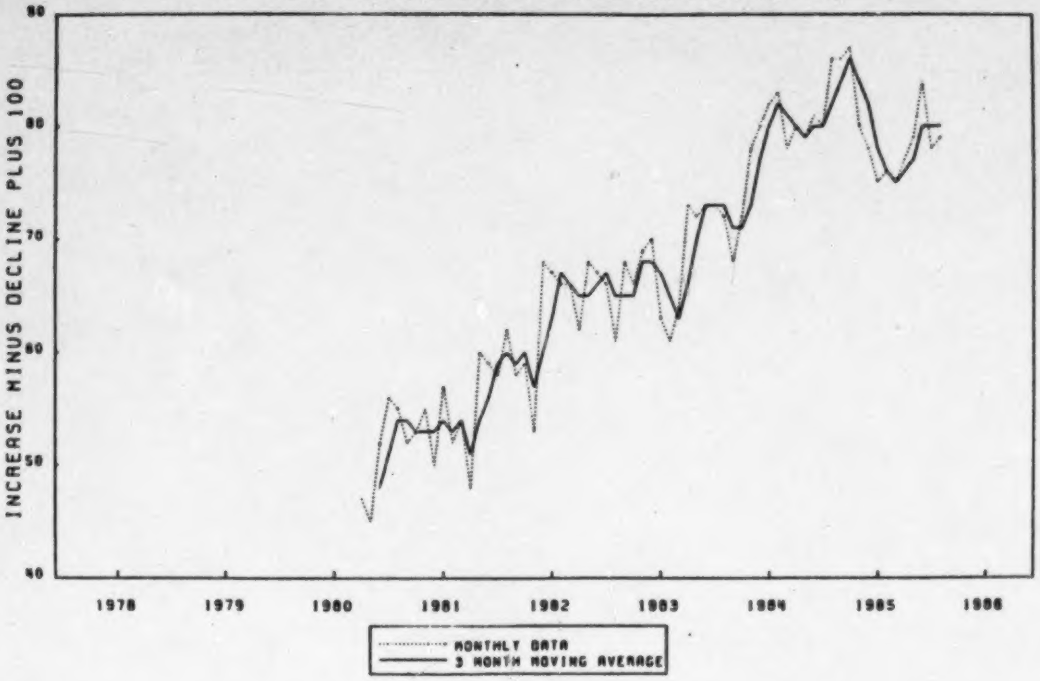


CHART 11 - HISTORICAL SERIES
TREND IN INCOME AND PRICE COMPARISON

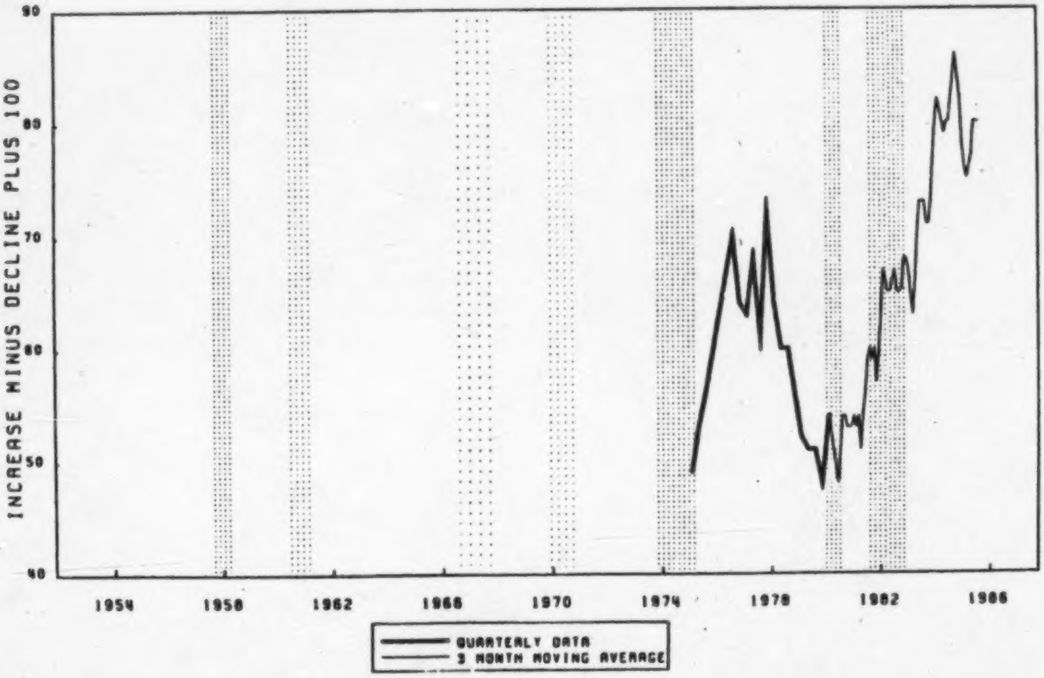


TABLE 11

TREND IN FAMILY INCOME AND PRICES COMPARISONS

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
REAL INCOME PROGRESS:													
Continuous increase (a)	12%	12%	14%	12%	10%	8%	10%	9%	11%	12%	9%	8%	10%
Intermittent increase (b)	15	16	14	14	12	13	14	14	11	13	17	14	14
Remain unchanged (c)	21	22	20	19	23	24	20	23	22	20	22	24	20
Intermittent decline (d)	22	20	18	22	22	23	19	24	20	18	20	21	18
Continuous decline (e)	19	22	23	24	22	23	29	24	25	28	22	23	27
Mixed change (f)	6	5	7	6	8	6	6	4	7	7	6	7	8
DK,NA	5	3	4	3	3	3	2	2	4	2	4	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART12 - RECENT CHANGES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

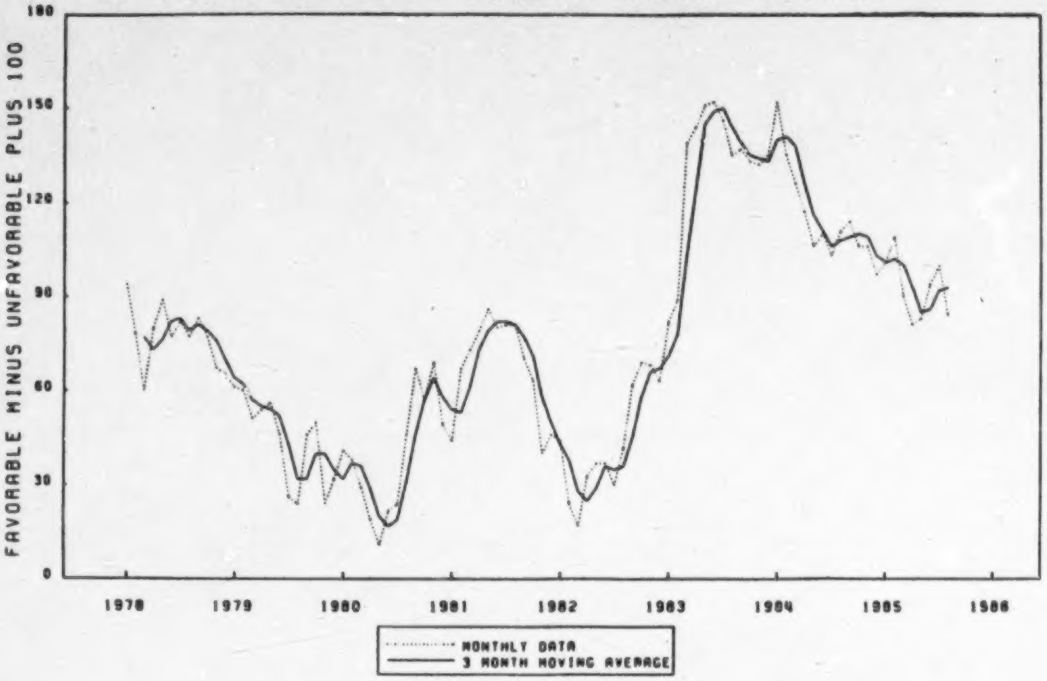


CHART12 - HISTORICAL SERIES
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

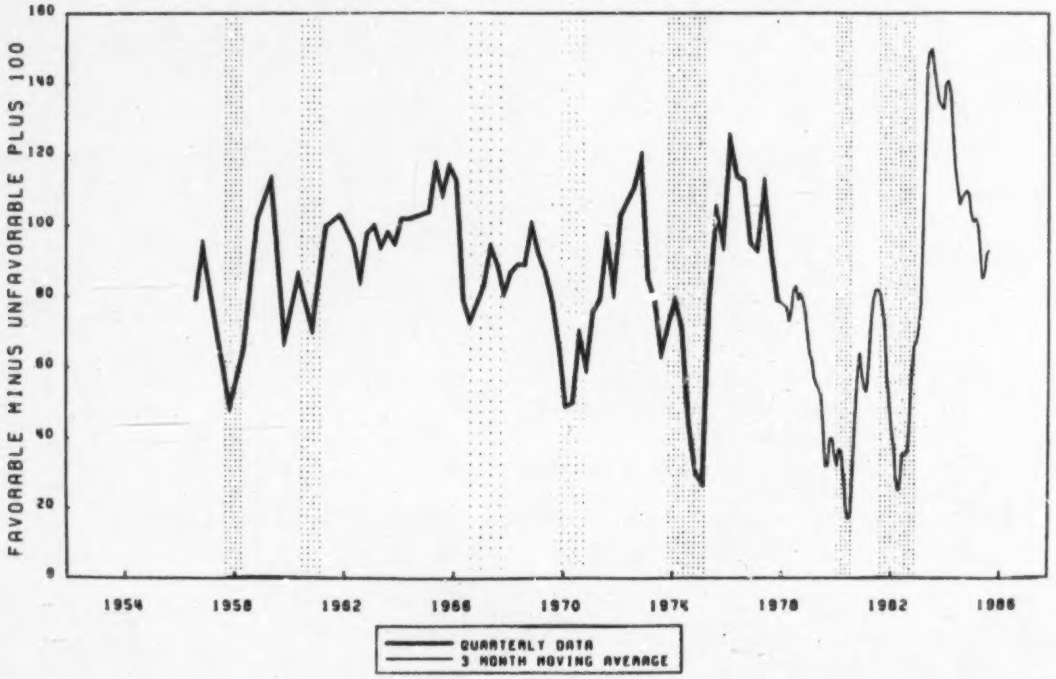


TABLE 12

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
FAVORABLE NEWS	51%	52%	44%	41%	39%	43%	50%	35%	30%	30%	37%	40%	30%
UNFAVORABLE NEWS	40	38	38	35	42	42	41	45	49	47	43	40	46
NO MENTIONS	39	41	44	49	46	44	41	48	49	48	50	46	49

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

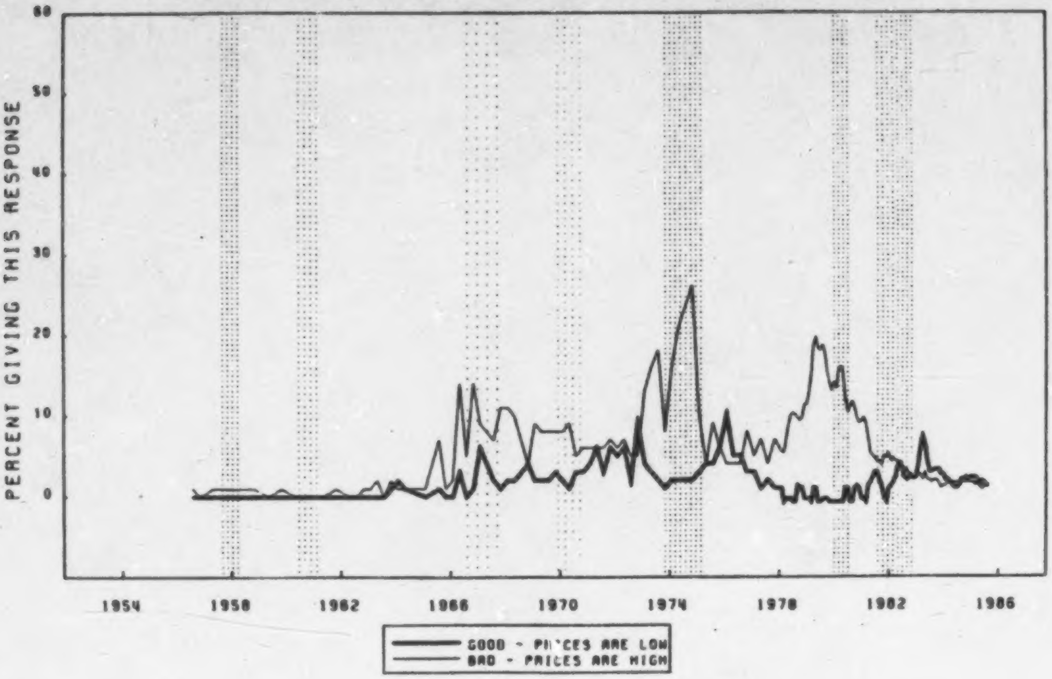


CHART 13B - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

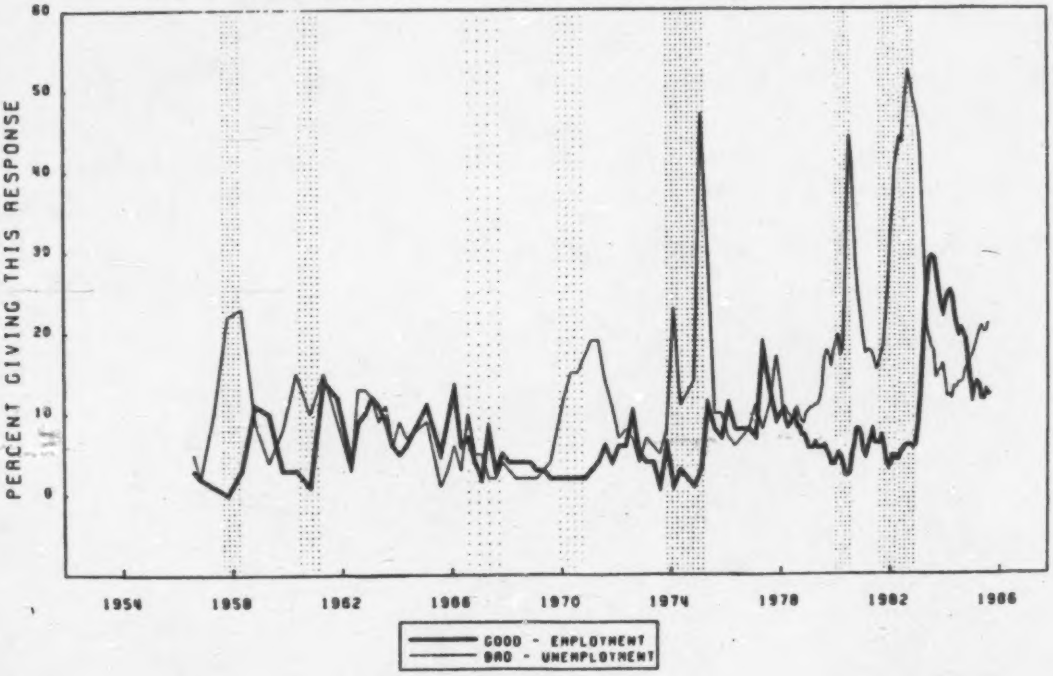


TABLE 13

SELECTED ITEMS OF NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
FAVORABLE NEWS:													
Government; elections	2%	3%	1%	2%	3%	4%	3%	2%	1%	2%	5%	2%	1%
Employment	20	19	18	13	11	12	17	12	11	12	12	14	11
Consumer demand high	7	7	5	4	5	5	5	5	3	3	4	3	2
Prices are low	2	3	1	3	2	2	3	2	1	1	1	2	1
Credit is easy	4	3	4	8	9	10	9	5	4	3	7	10	8
UNFAVORABLE NEWS:													
Government; elections	4	4	3	3	6	5	6	5	5	4	6	4	4
Unemployment	15	14	17	16	17	18	19	20	21	21	18	21	24
Consumer demand low	2	2	1	2	3	3	3	2	3	3	3	2	3
Prices are high	2	2	1	2	2	1	2	1	2	2	2	1	2
Credit is tight	9	6	5	3	2	2	1	2	2	2	1	1	1
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

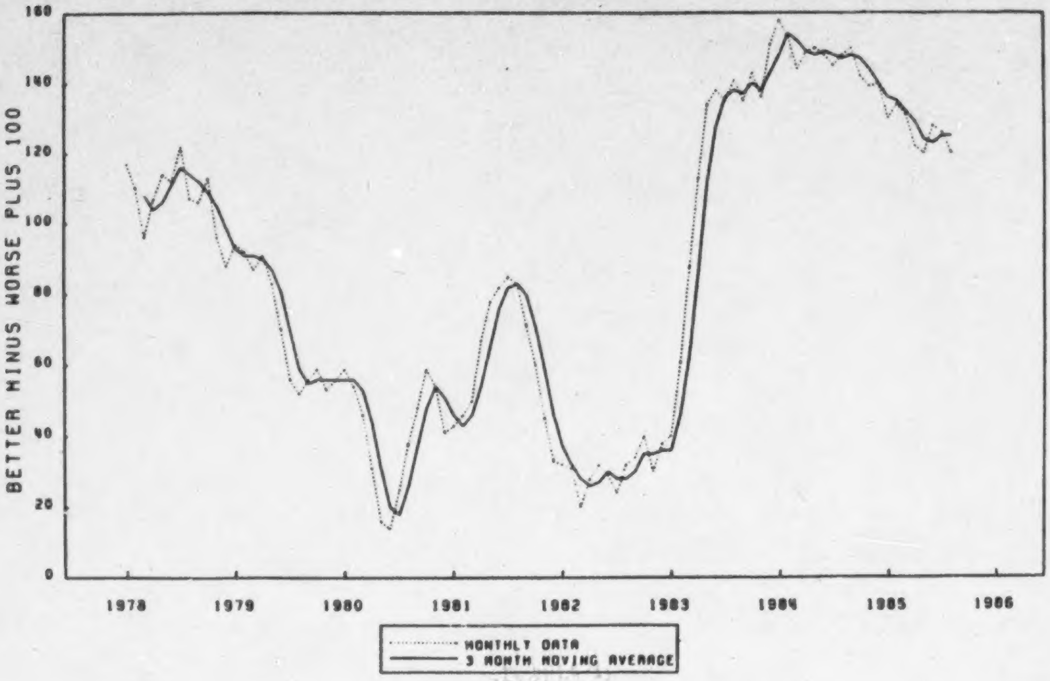


CHART 14 - HISTORICAL SERIES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

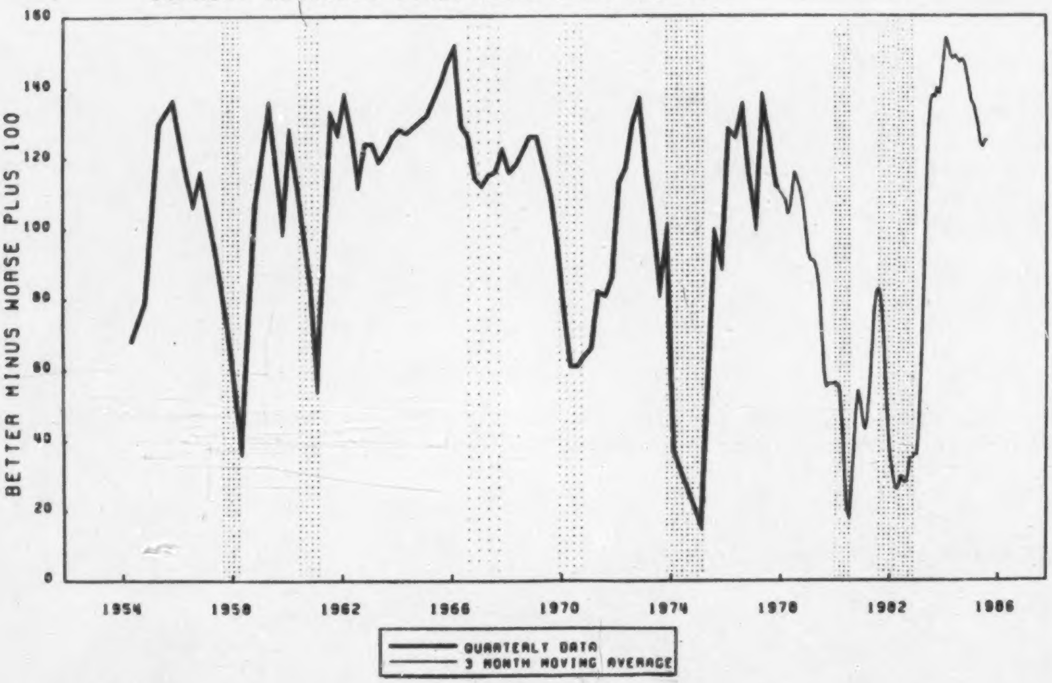


TABLE 14

CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
BETTER NOW	68%	68%	65%	63%	63%	57%	60%	57%	51%	53%	56%	56%	51%
SAME	11	12	10	12	13	14	12	15	17	13	14	13	16
WORSE NOW	20	18	23	24	23	27	26	26	29	33	28	30	31
DK,NA	1	2	2	1	1	2	2	2	3	1	2	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

CHART 15 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

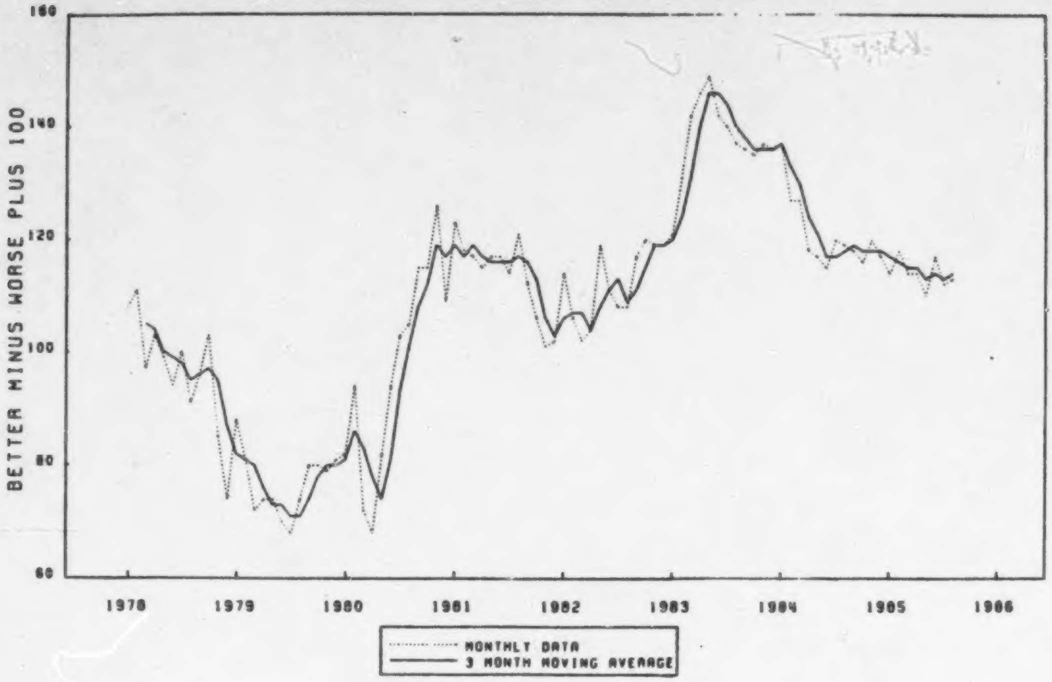


CHART 15 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

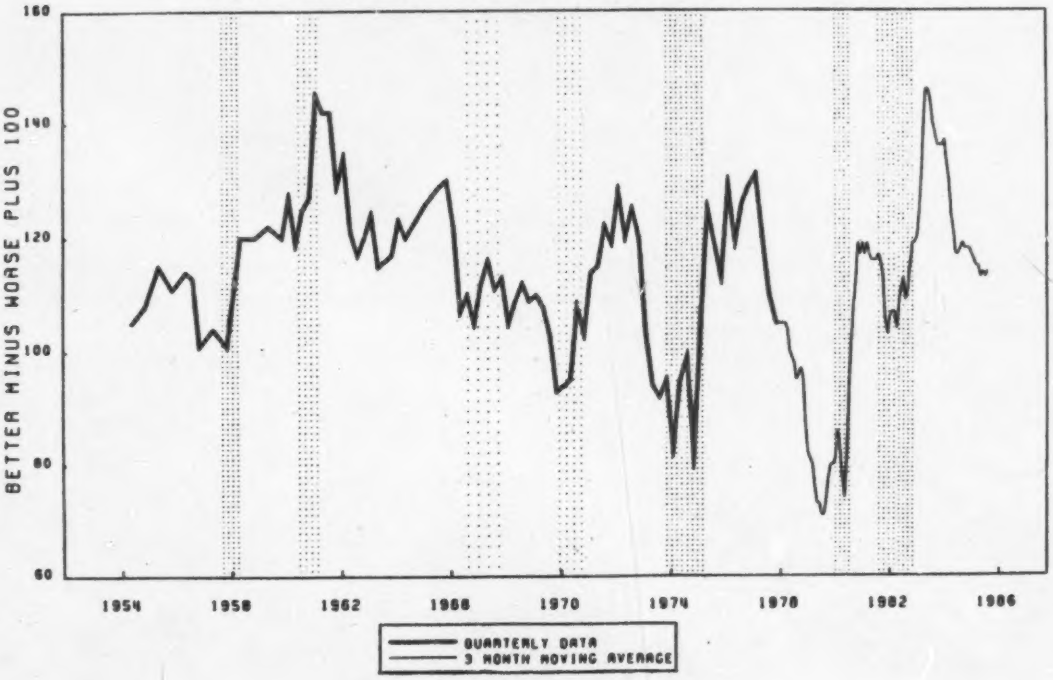


TABLE 15

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
BETTER	33%	33%	32%	35%	33%	29%	33%	29%	29%	27%	29%	26%	27%
SAME	49	48	49	48	47	55	50	53	53	54	57	57	57
WORSE	14	15	16	15	16	15	15	15	15	17	12	14	14
DK,NA	4	4	3	2	4	1	2	3	3	2	2	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

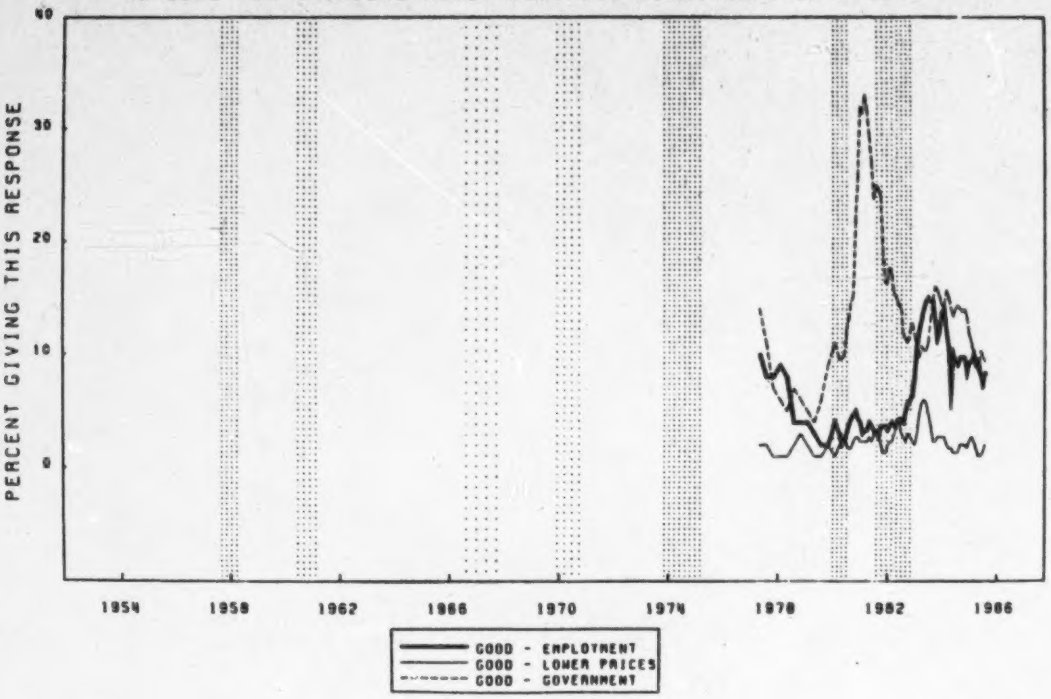


CHART 16B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

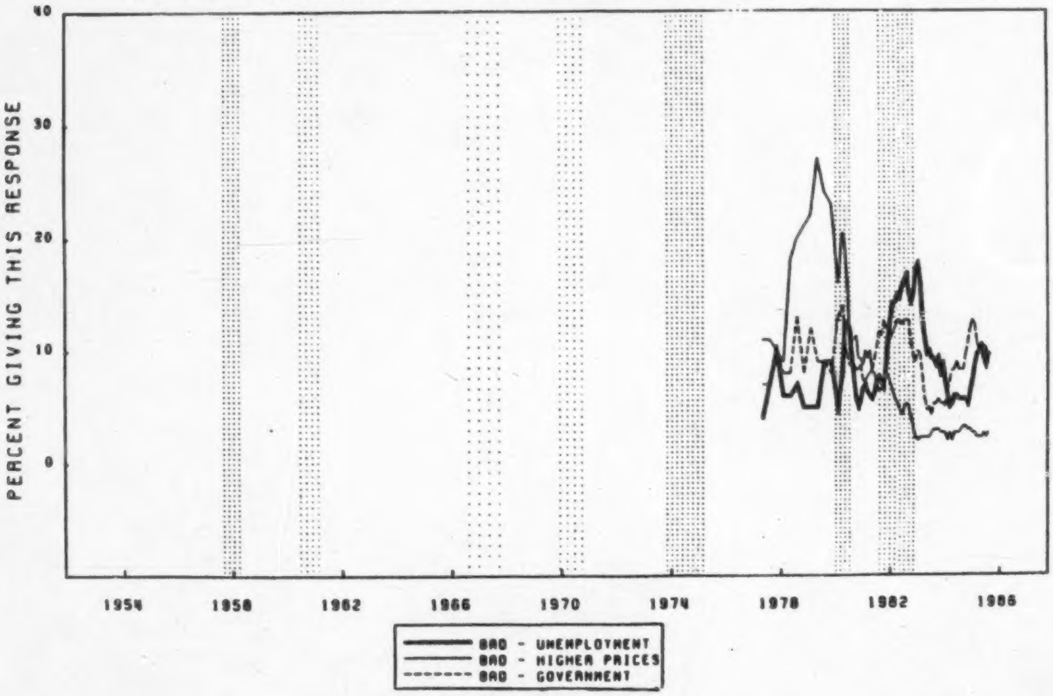


TABLE 16

REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
FAVORABLE REASONS:													
Government; elections	13%	14%	14%	14%	12%	9%	12%	8%	9%	8%	14%	7%	7%
Employment	8	12	9	8	8	12	8	10	9	9	7	6	12
Higher consumer demand	5	2	2	5	4	4	4	5	5	4	5	2	3
Lower prices	2	3	1	2	2	3	3	1	1	1	1	2	3
Easier credit	4	4	3	5	6	4	4	4	3	2	6	5	6
UNFAVORABLE REASONS:													
Government; elections	9	11	9	12	15	11	11	10	9	13	9	9	8
Unemployment	6	5	6	5	8	9	9	11	10	10	8	8	13
Lower consumer demand	3	2	2	3	4	2	2	4	4	4	2	2	2
Higher prices	4	3	3	3	3	2	3	2	2	3	3	1	4
Tighter credit	5	4	4	3	3	4	3	2	2	1	1	1	2
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

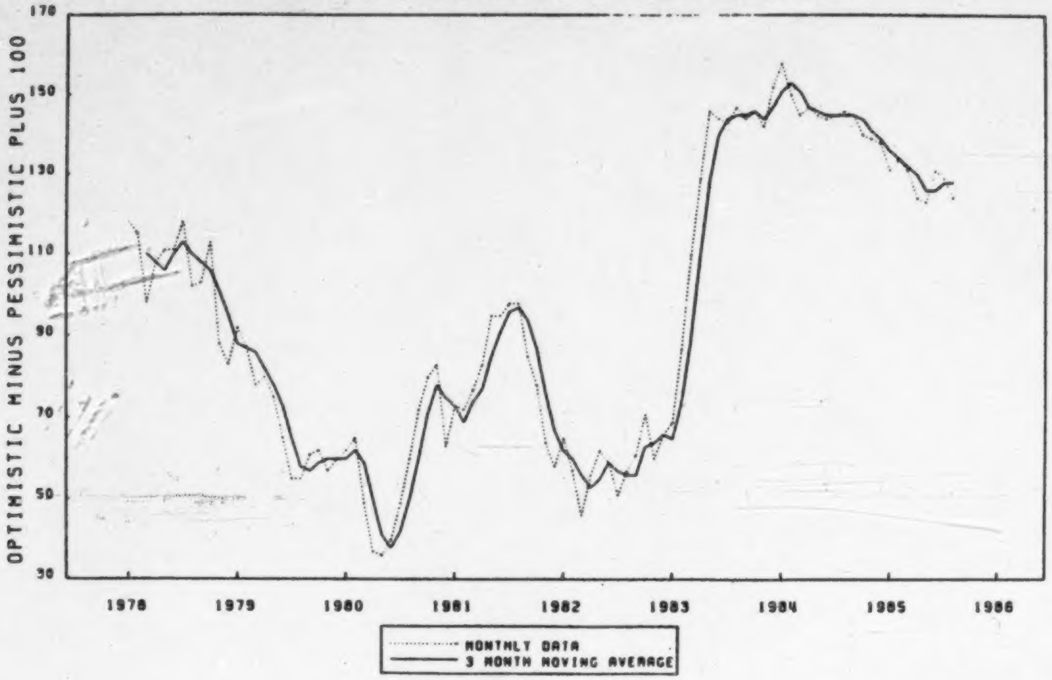


CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

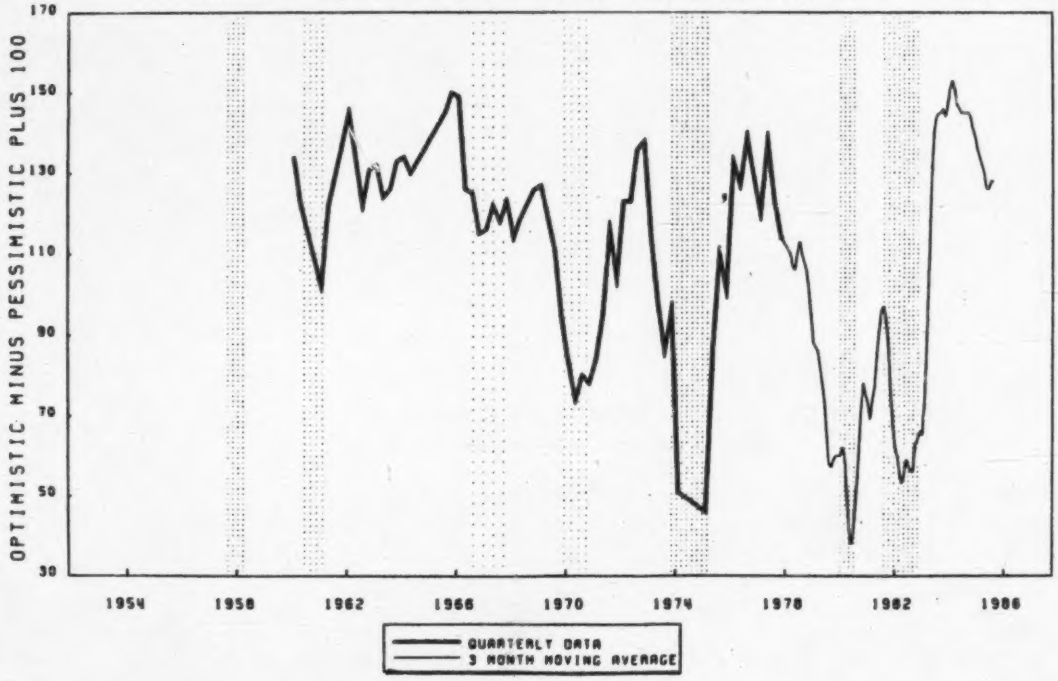


CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

TABLE 17

TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
TREND:													
Continuous increase (a)	25%	27%	24%	28%	27%	21%	26%	22%	21%	18%	22%	19%	19%
Intermittent increase (b)	36	35	36	32	32	36	31	33	29	34	34	36	33
Remain unchanged (c)	6	6	5	6	7	8	7	9	11	8	9	9	10
Intermittent decline (d)	10	11	12	14	13	17	15	15	18	18	17	16	18
Continuous decline (e)	5	6	8	7	8	9	8	9	8	11	8	10	10
Mixed change (f)	12	10	10	9	9	7	9	8	8	8	6	6	7
DK,NA	6	5	5	4	4	2	4	4	5	3	4	4	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

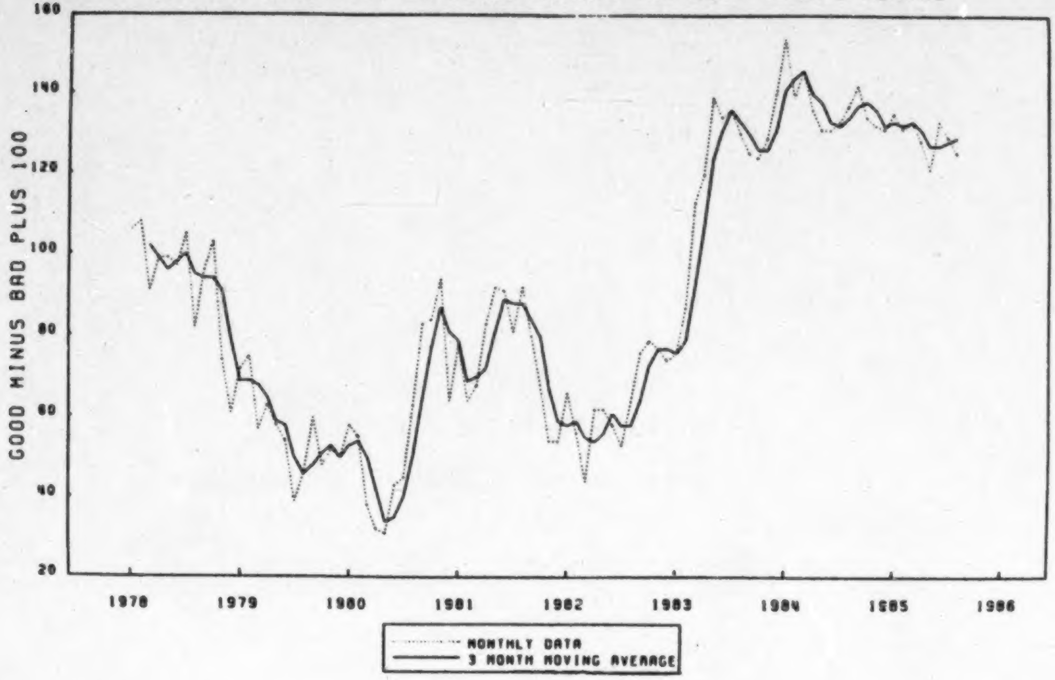


CHART 18 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

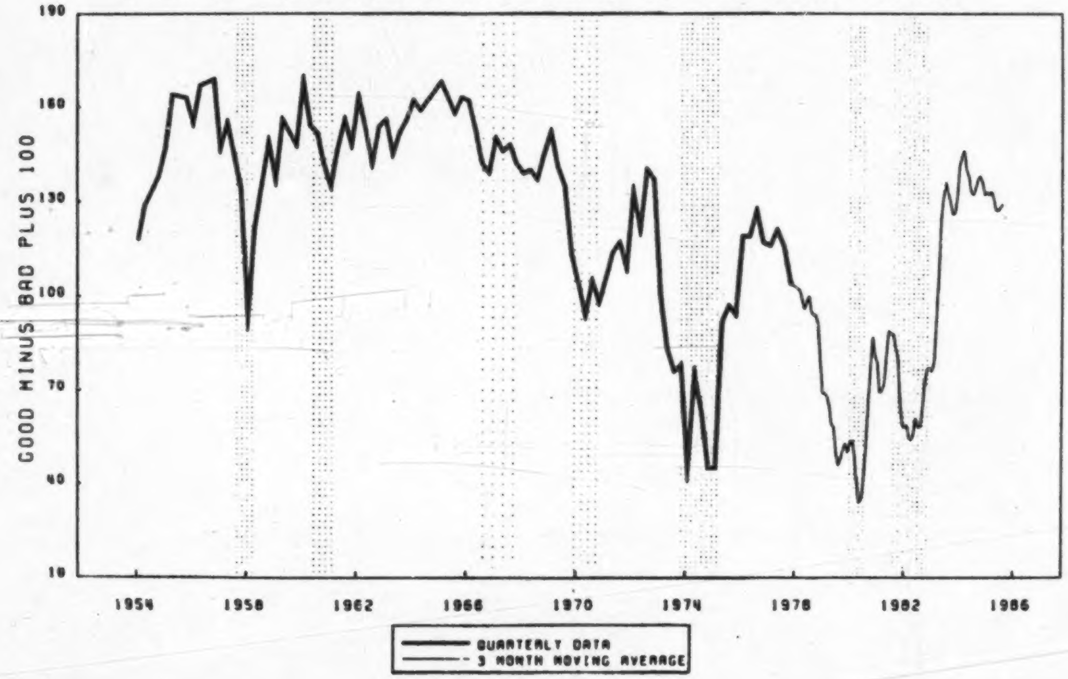


TABLE 18

BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
GOOD TIMES	62%	66%	60%	59%	59%	63%	62%	62%	58%	55%	59%	58%	57%
UNCERTAIN; GOOD & BAD	3	3	4	3	3	4	2	2	3	1	3	3	4
BAD TIMES	25	24	26	27	28	28	31	29	30	34	26	29	32
DON'T KNOW	7	6	6	7	7	4	3	5	6	6	5	7	4
NOT ASCERTAINED	3	1	4	4	3	1	2	2	3	4	7	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

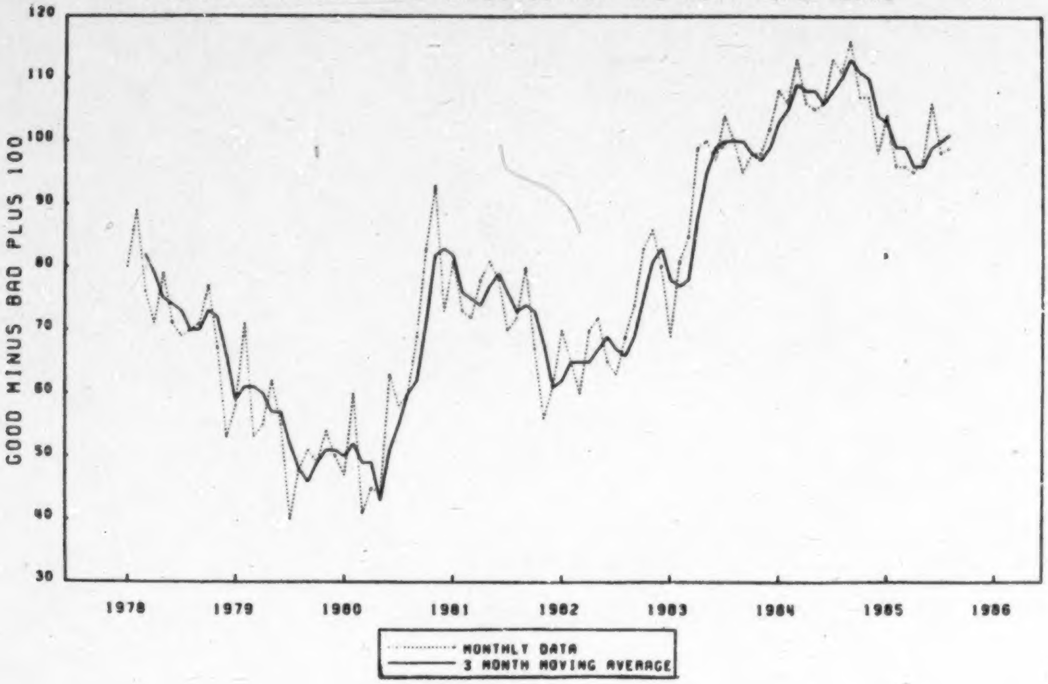


CHART 19 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

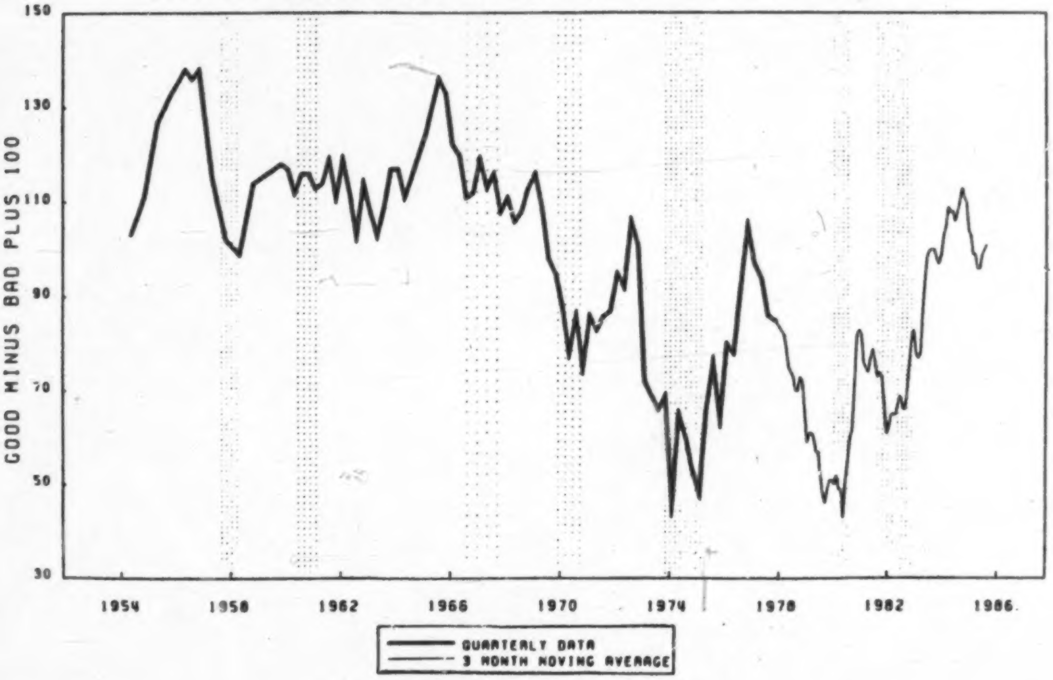


TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
GOOD TIMES	47%	47%	43%	42%	39%	43%	41%	40%	39%	40%	43%	41%	41%
UNCERTAIN; GOOD & BAD	13	17	17	17	15	15	11	13	14	14	17	13	14
BAD TIMES	36	31	36	35	41	39	45	44	44	43	37	43	42
NOT ASCERTAINED	4	5	4	6	5	3	3	3	3	3	3	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

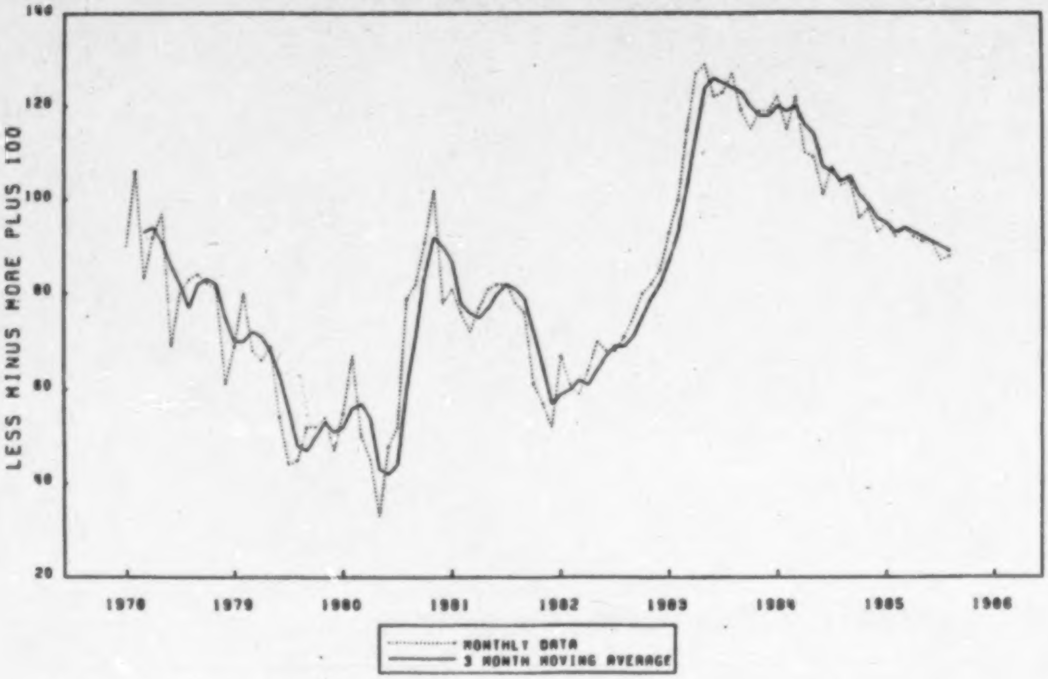


CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

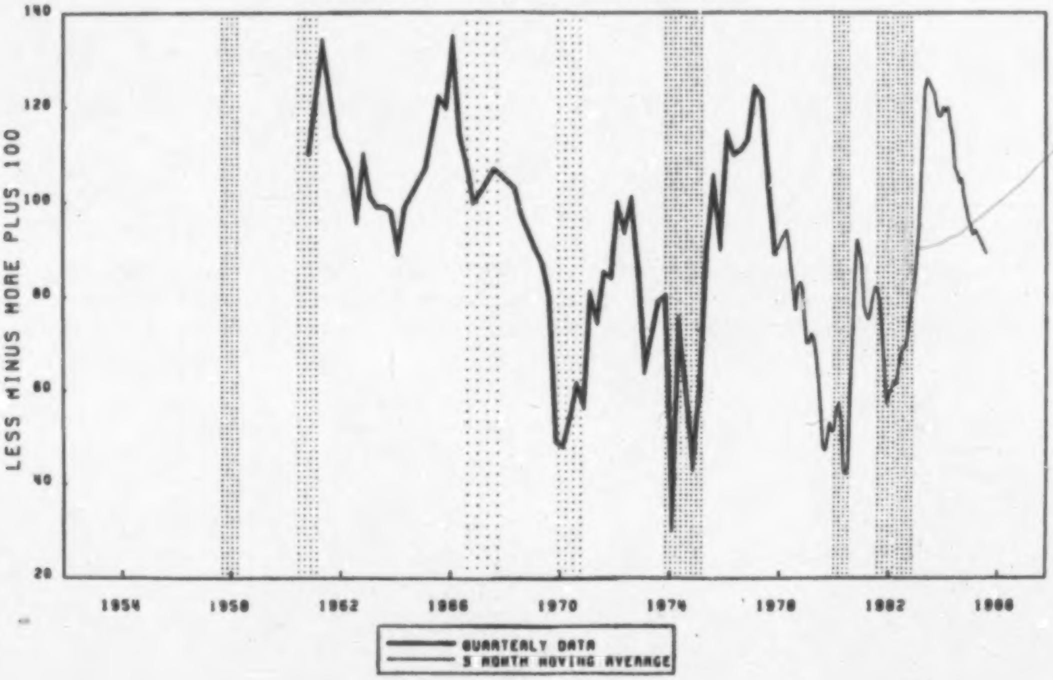


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

TABLE 20

EXPECTED CHANGE IN UNEMPLOYMENT

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
LESS	24%	26%	20%	22%	21%	20%	20%	23%	20%	19%	16%	14%	17%
SAME	54	50	54	52	50	54	50	47	50	52	58	58	52
MORE	21	22	24	24	28	25	28	29	28	28	25	27	29
DK,NA	1	2	2	2	1	1	2	1	2	1	1	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

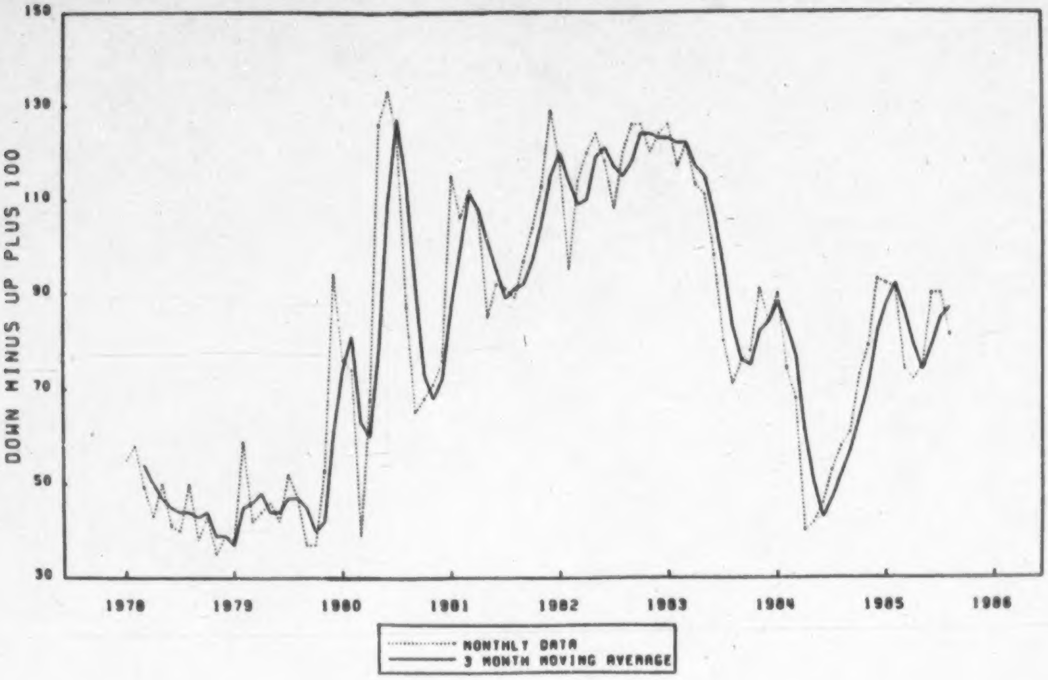


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

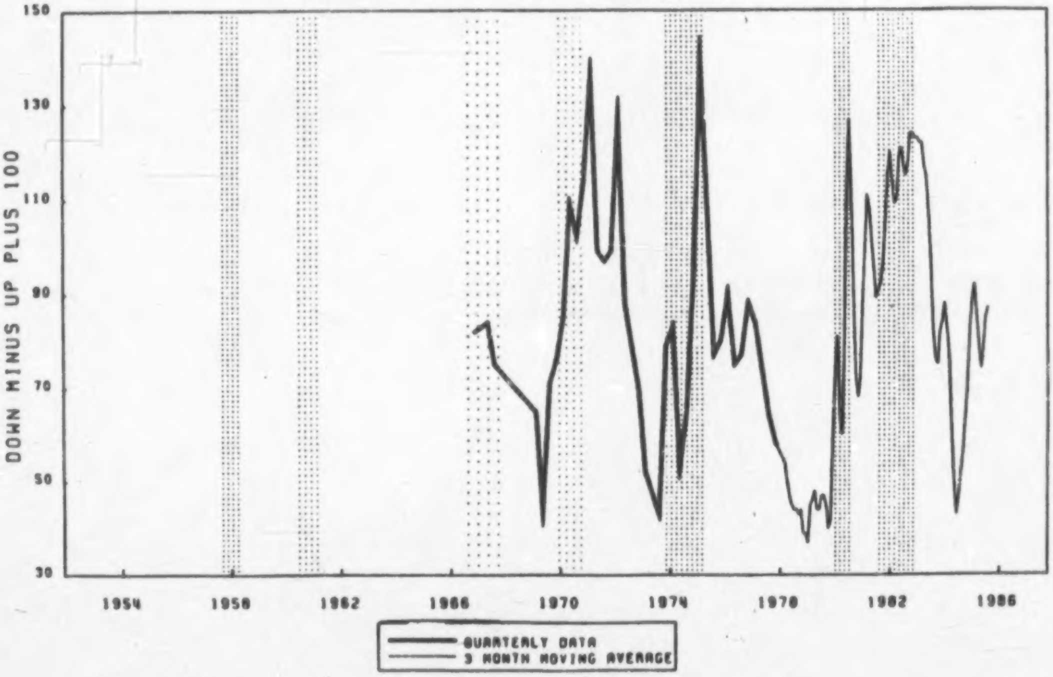


TABLE 21

EXPECTED CHANGE IN INTEREST RATES

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
GO UP	55%	52%	45%	44%	37%	36%	35%	45%	47%	44%	36%	35%	41%
STAY THE SAME	29	32	33	31	30	33	37	32	31	34	36	38	35
GO DOWN	13	13	18	23	30	28	26	19	19	19	26	25	22
DK,NA	3	3	4	2	3	3	2	4	3	3	2	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES
CHANGE IN PRICES DURING THE LAST 12 MONTHS

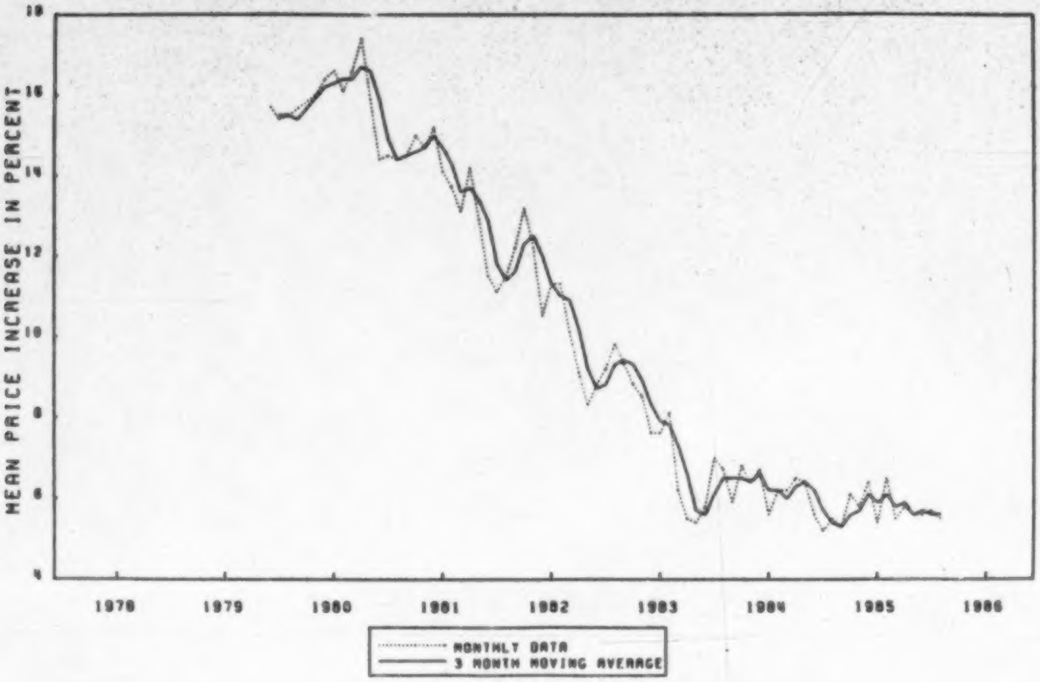


CHART 22 - HISTORICAL SERIES
CHANGE IN PRICES DURING THE LAST 12 MONTHS

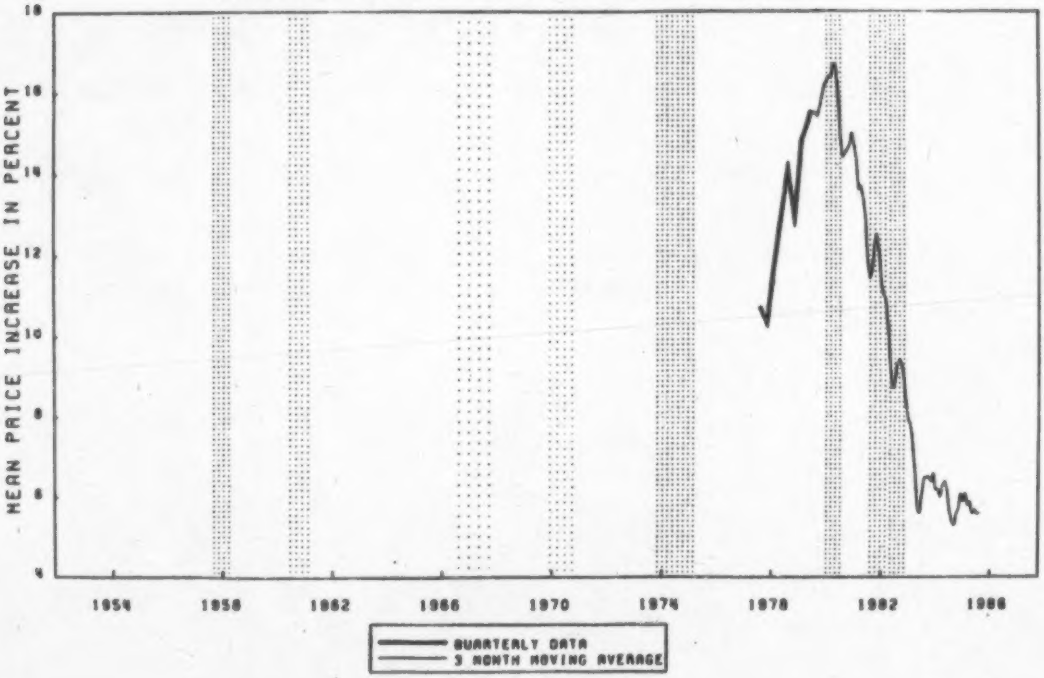


TABLE 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
SAME OR DOWN	29%	29%	28%	27%	24%	25%	25%	28%	24%	23%	24%	25%	23%
GONE UP BY:													
1-2%	10	9	9	11	9	11	11	11	10	13	12	13	10
3-4%	12	16	15	15	14	17	16	18	17	18	18	16	19
5%	18	16	13	14	18	17	13	14	16	16	13	16	19
6-9%	8	7	7	5	6	7	8	5	8	7	9	6	5
10-14%	11	9	11	11	11	10	11	10	13	9	11	11	11
15% or more	7	8	11	10	10	8	11	9	8	9	9	7	8
DK how much up	5	6	5	6	7	5	4	5	4	4	3	5	4
DK,NA	*	*	1	1	1	*	1	*	*	1	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	5.5	5.3	6.1	5.8	6.4	5.4	6.5	5.5	5.8	5.6	5.6	5.7	5.5
VARIANCE	75	63	84	76	86	66	93	72	64	72	61	82	58
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

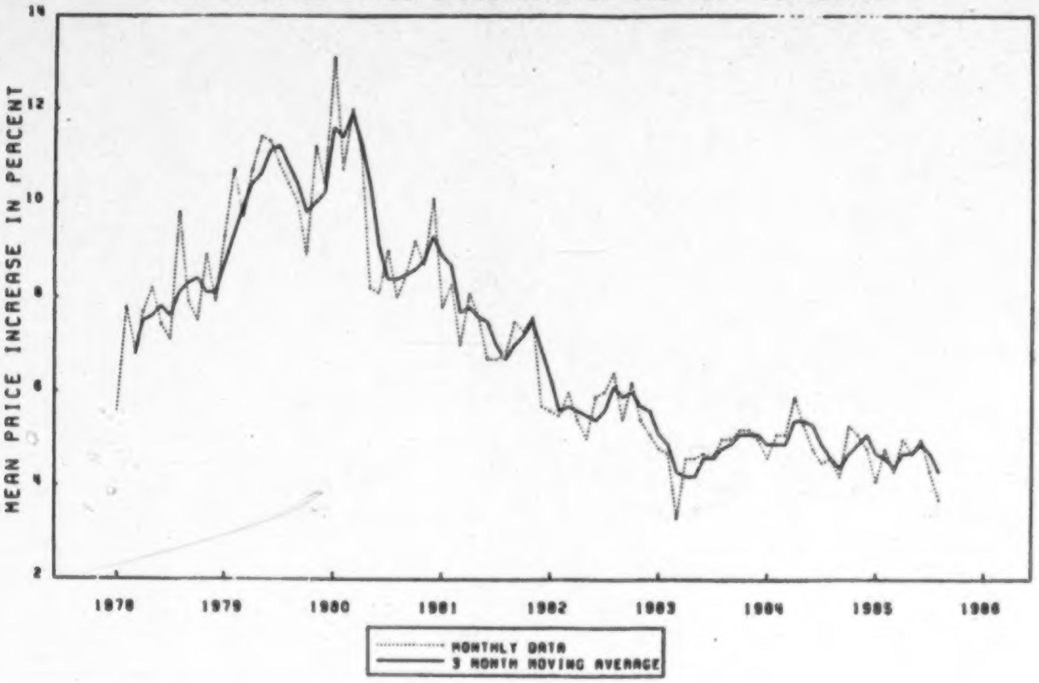


CHART 23 - HISTORICAL SERIES
MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

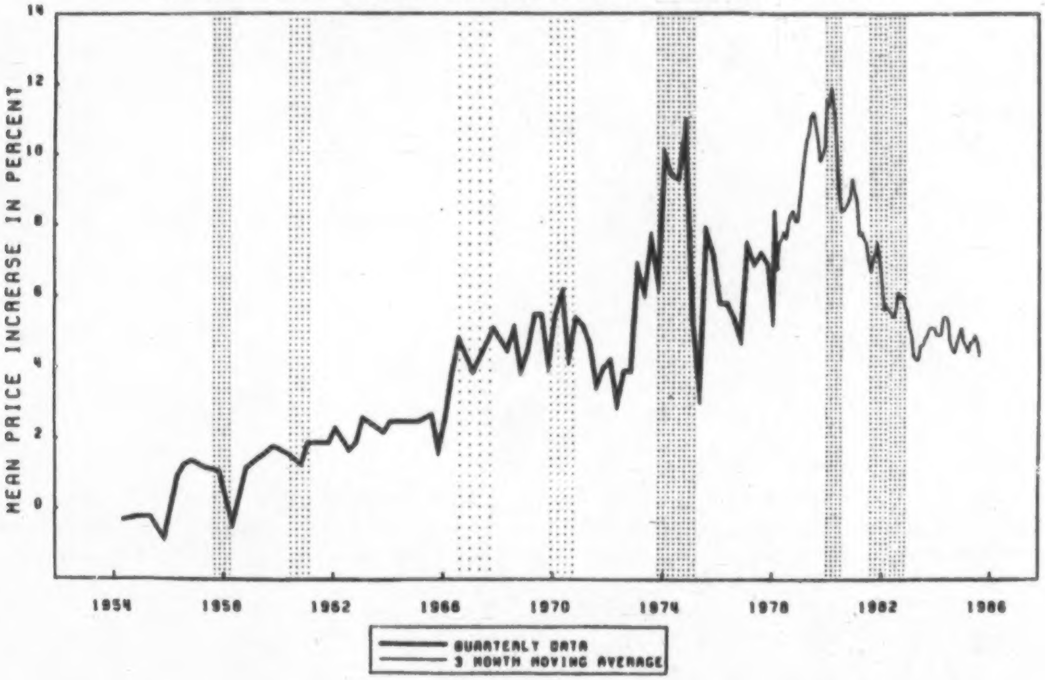


TABLE 23

EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
SAME OR DOWN	24%	24%	22%	23%	25%	26%	25%	26%	22%	20%	19%	24%	26%
WILL GO UP BY:													
1-2%	18	16	13	14	13	16	14	15	13	17	16	19	18
3-4%	15	19	15	17	17	20	19	19	20	20	21	20	21
5%	18	14	18	18	16	15	15	15	16	20	19	14	16
6-9%	6	8	9	6	9	6	6	6	8	6	6	8	6
10-14%	8	8	10	9	9	7	10	9	11	7	9	6	6
15% or more	5	4	7	7	5	4	6	6	6	6	6	4	4
DK how much up	5	4	4	4	4	4	4	4	3	2	2	4	2
DK,NA	1	3	2	2	2	2	1	*	1	2	2	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	4.6	4.2	5.3	5.1	4.8	4.1	4.8	4.3	5.0	4.7	5.0	4.3	3.7
VARIANCE	46	36	53	47	44	36	51	34	44	46	51	49	21
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

* : Less than half of one percent.

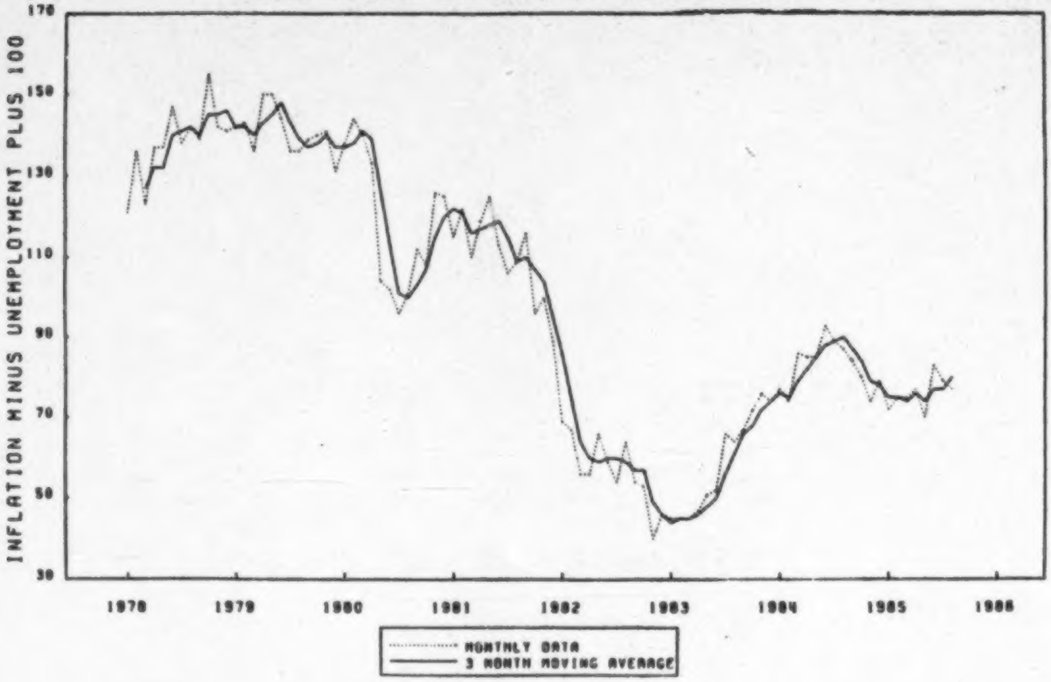


CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

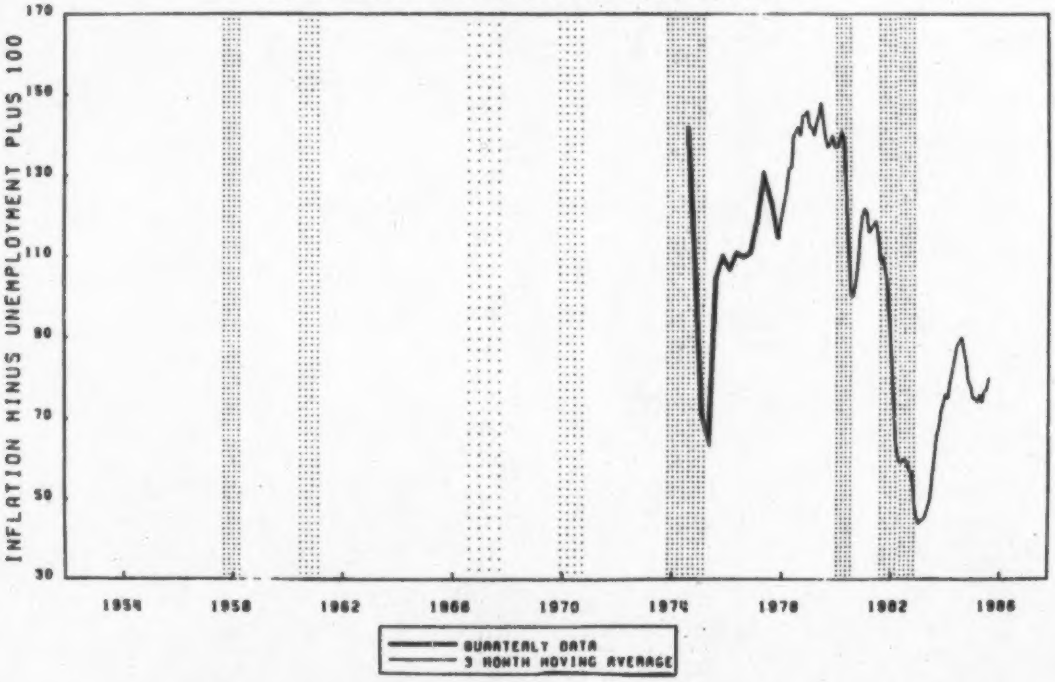


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

TABLE 24

UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
UNEMPLOYMENT	52%	54%	55%	59%	56%	60%	58%	59%	57%	61%	55%	57%	57%
BOTH EQUALLY SERIOUS	6	5	8	7	6	6	5	5	6	6	4	5	5
INFLATION	39	38	35	33	35	32	33	34	34	31	38	36	34
DK,NA	3	3	2	1	3	2	4	2	3	2	3	2	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

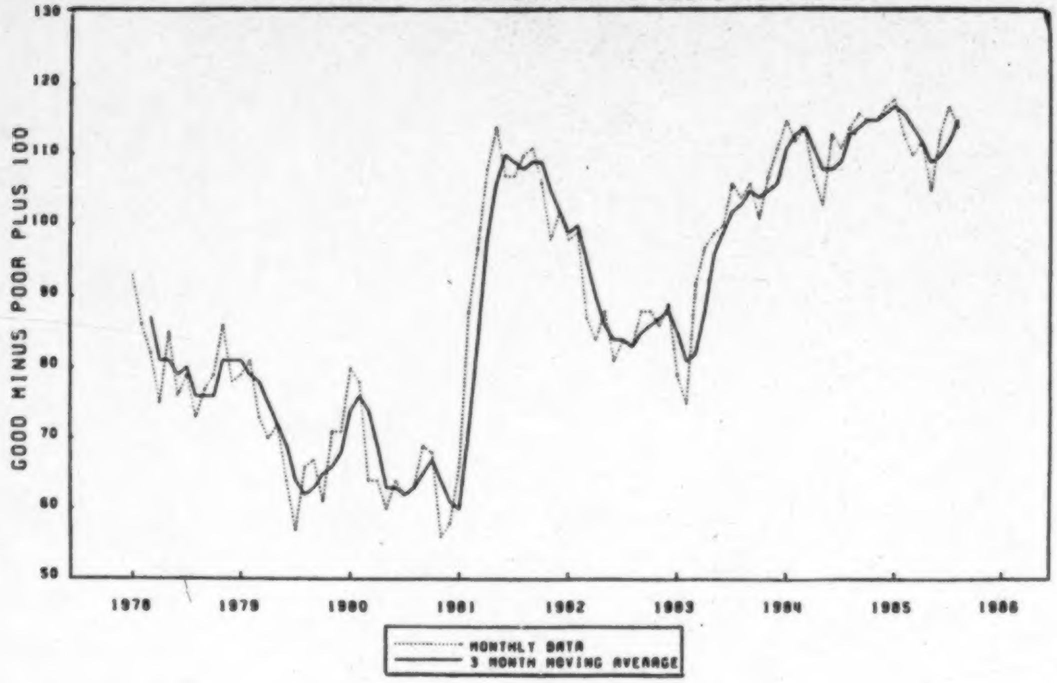


CHART 25 - HISTORICAL SERIES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

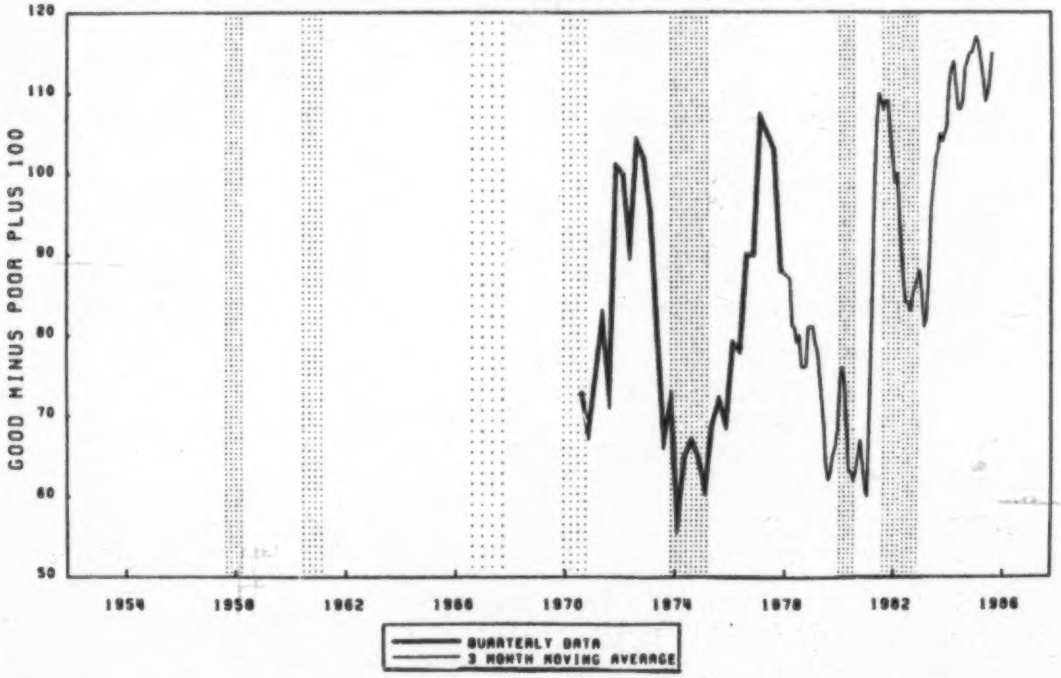


TABLE 25

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
A GOOD JOB	33%	35%	36%	32%	33%	34%	33%	32%	30%	26%	29%	31%	29%
ONLY FAIR	46	44	41	50	49	49	46	43	50	51	53	52	53
A POOR JOB	19	19	21	17	16	16	20	22	18	21	16	14	15
DK,NA	2	2	2	1	2	1	1	3	2	2	2	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

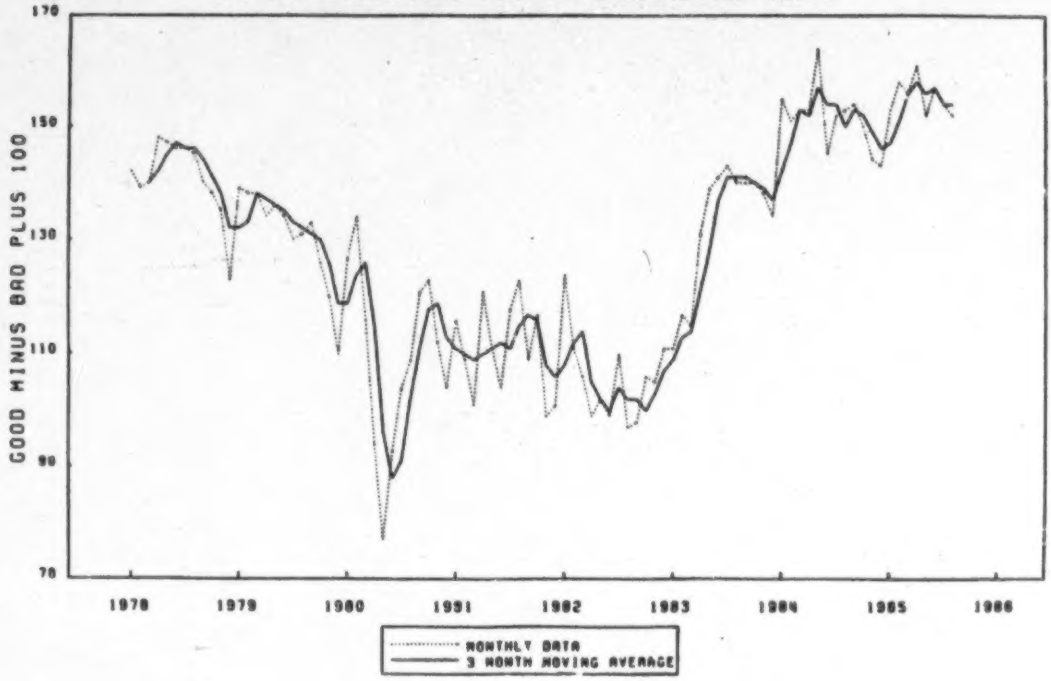


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

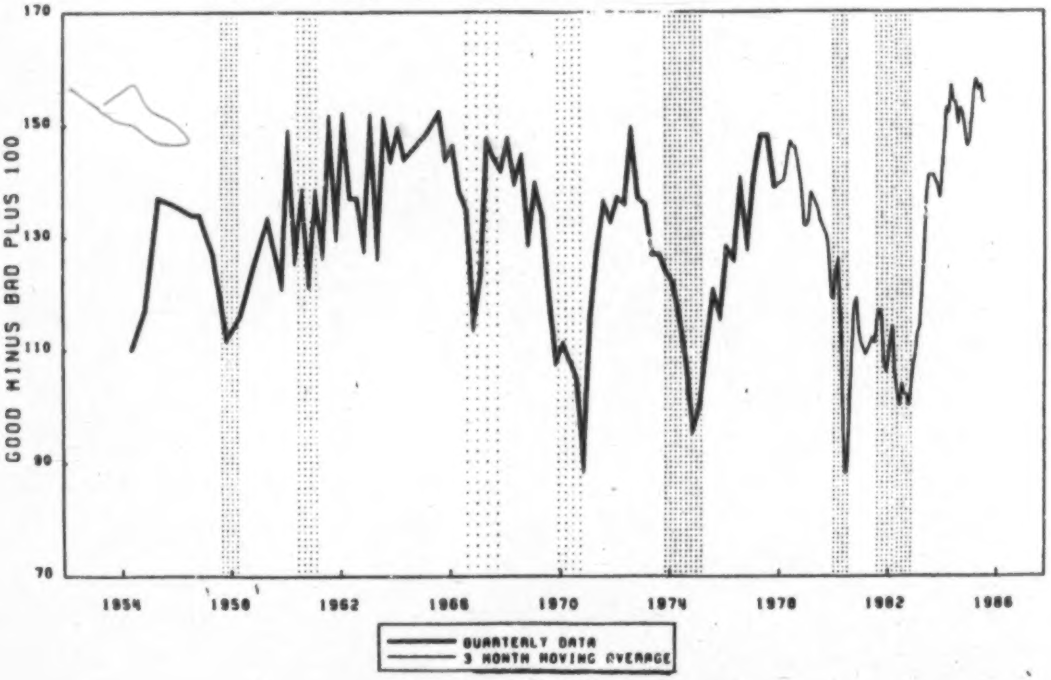


TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
GOOD TIME TO BUY	72%	72%	70%	67%	67%	73%	75%	74%	77%	72%	74%	74%	69%
UNCERTAIN, DEPENDS	9	10	10	10	9	7	8	8	7	8	9	6	14
BAD TIME TO BUY	19	18	20	23	24	20	17	18	16	20	17	20	17
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

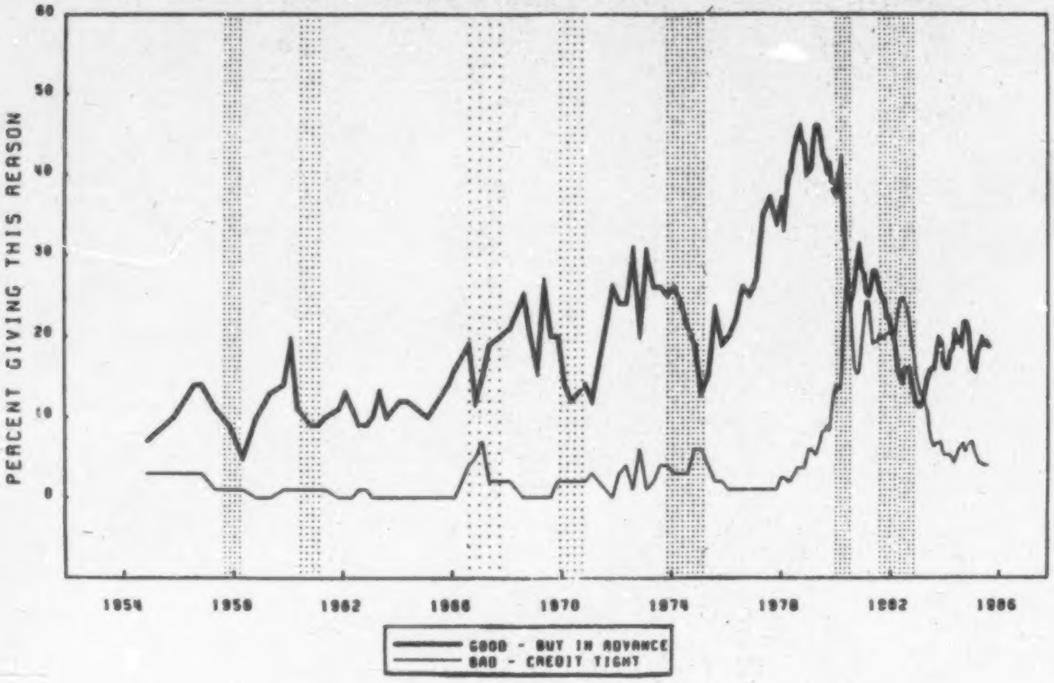


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

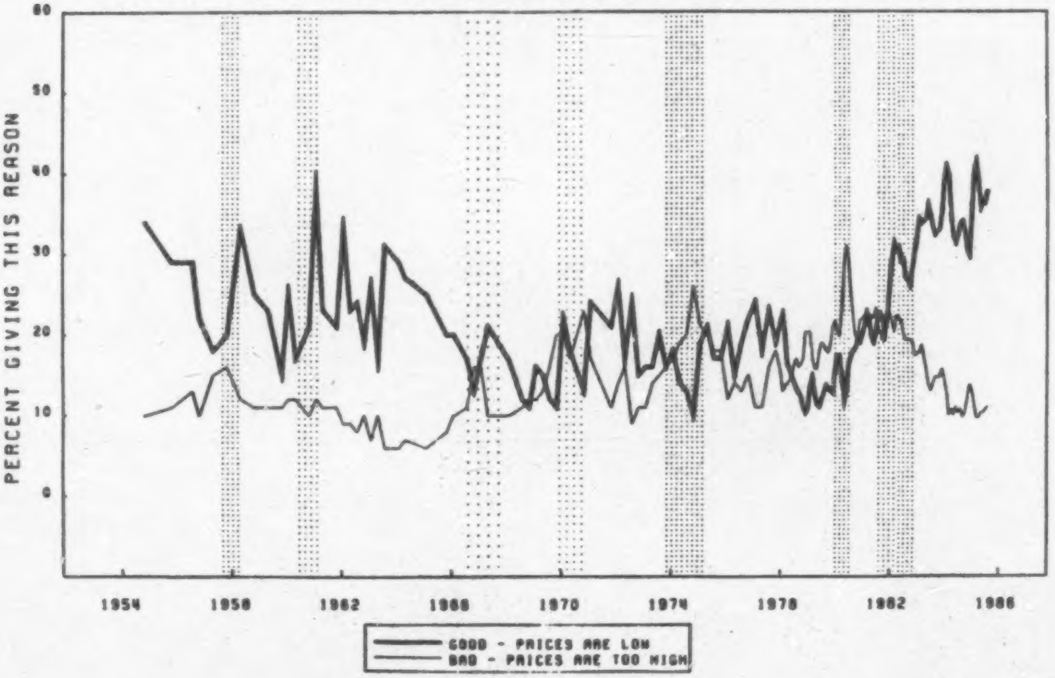


TABLE 27

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	35%	34%	29%	28%	32%	45%	43%	36%	37%	34%	39%	36%	38%
Prices won't come down; are going higher	20	24	21	17	15	16	16	22	18	19	20	19	17
Interest rates low; credit is easy	8	8	11	11	10	11	11	10	13	11	13	14	15
BAD TIME TO BUY:													
Prices are high	9	10	12	14	15	10	9	10	10	11	10	11	12
Interest rates are high; credit is tight	6	6	5	8	7	6	4	5	4	4	4	4	4
Lack of purchasing power	7	7	7	7	7	10	6	7	6	9	7	6	5

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

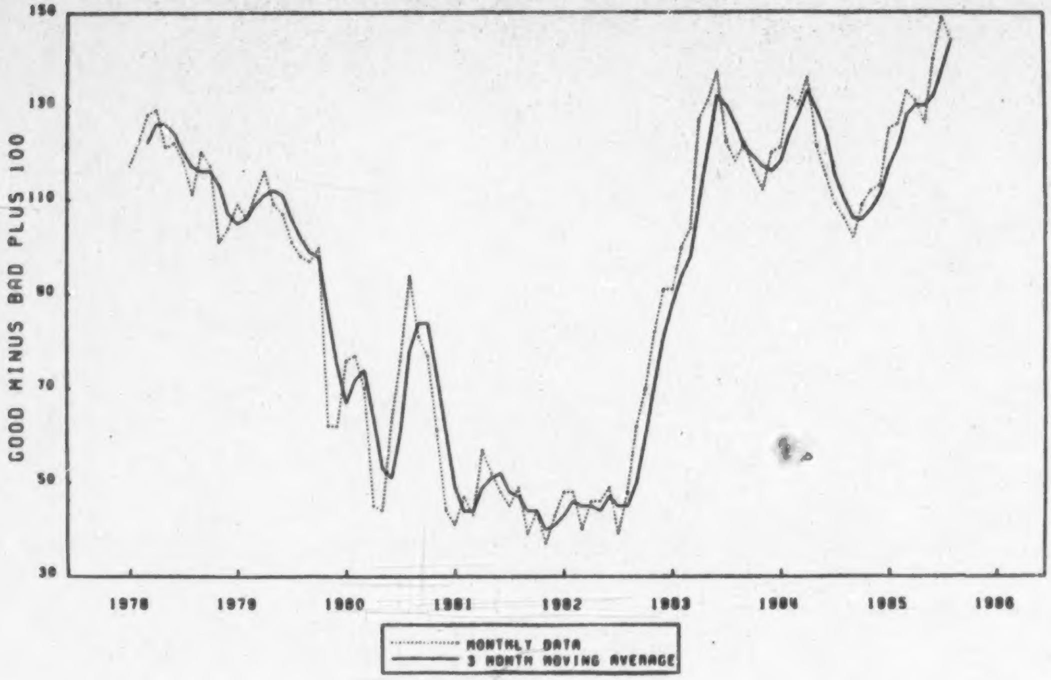


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

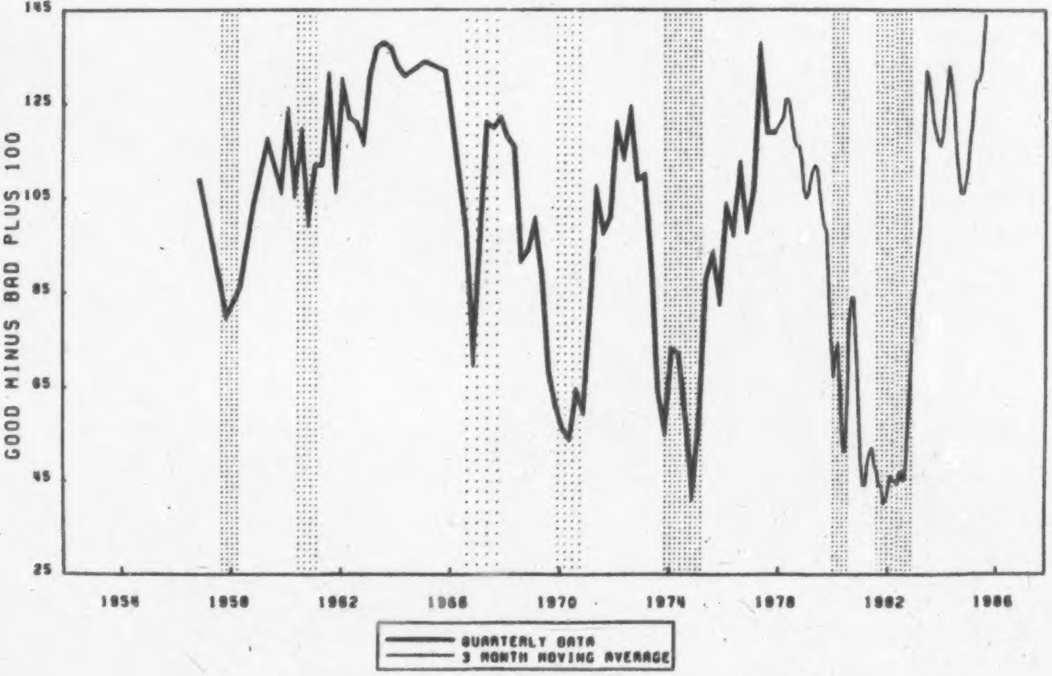


TABLE 28

BUYING CONDITIONS FOR HOUSES

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
GOOD TIME TO BUY	50%	48%	52%	54%	54%	61%	61%	64%	64%	61%	67%	73%	69%
UNCERTAIN, DEPENDS	6	6	5	4	5	3	4	5	3	4	6	3	6
BAD TIME TO BUY	44	46	43	42	41	36	35	31	33	35	27	24	25
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

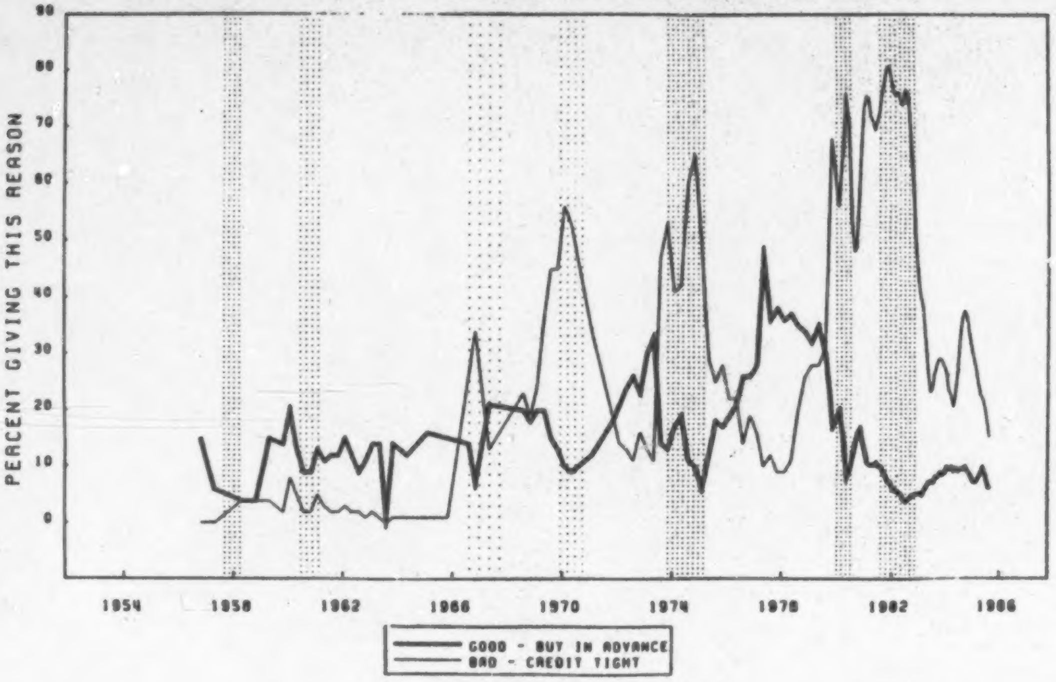


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

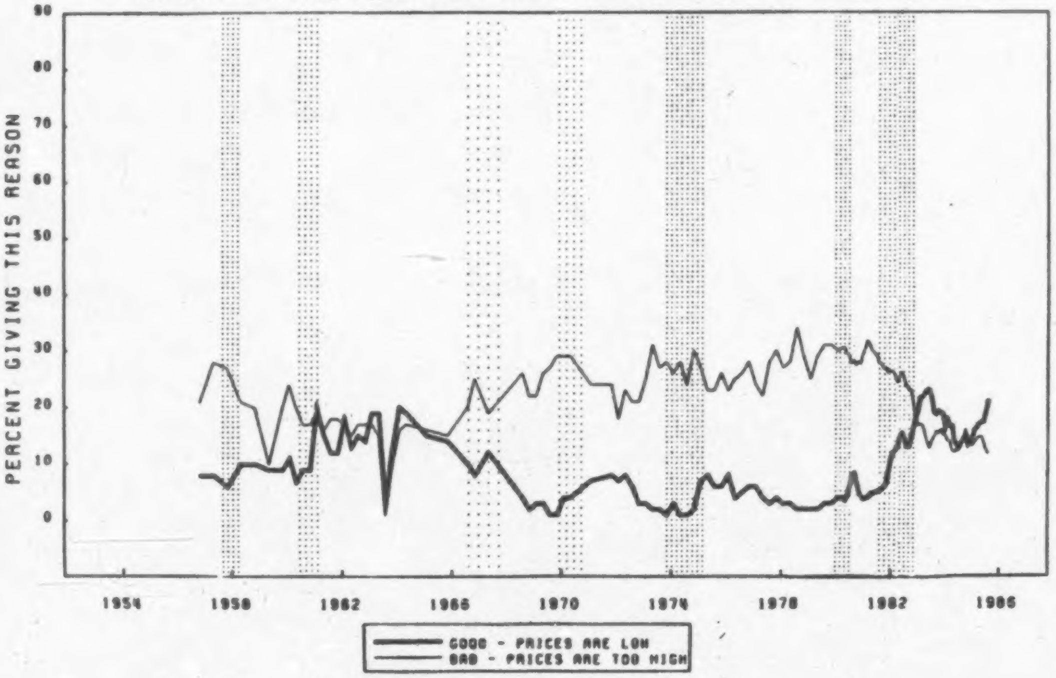


TABLE 29

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	15%	14%	15%	11%	17%	15%	16%	18%	17%	17%	18%	22%	23%
Prices won't come down; are going higher	9	10	9	7	8	7	7	10	9	10	7	5	7
Interest rates low; credit is easy	35	34	35	44	38	49	50	48	47	43	56	57	58
Good investment	4	7	5	7	5	6	6	7	6	6	6	5	7
BAD TIME TO BUY:													
Prices are high	16	16	16	12	13	14	14	15	15	14	12	11	12
Interest rates are high; credit is tight	40	37	33	31	30	27	25	22	21	23	17	13	16
Lack of purchasing power	11	11	10	13	13	12	11	9	12	16	9	11	9

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

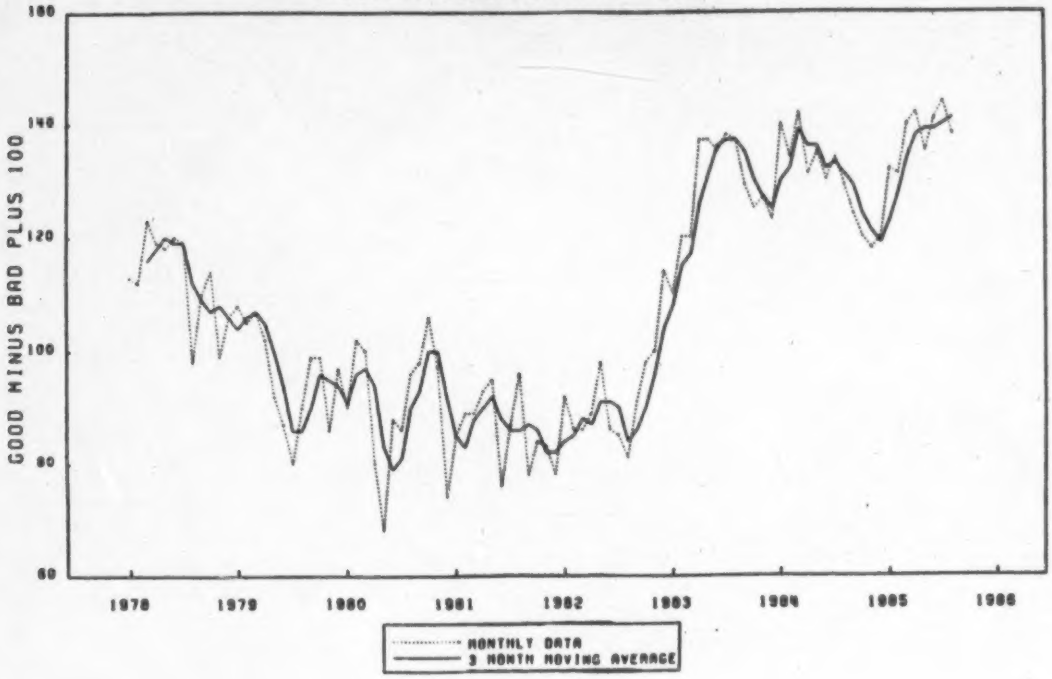


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

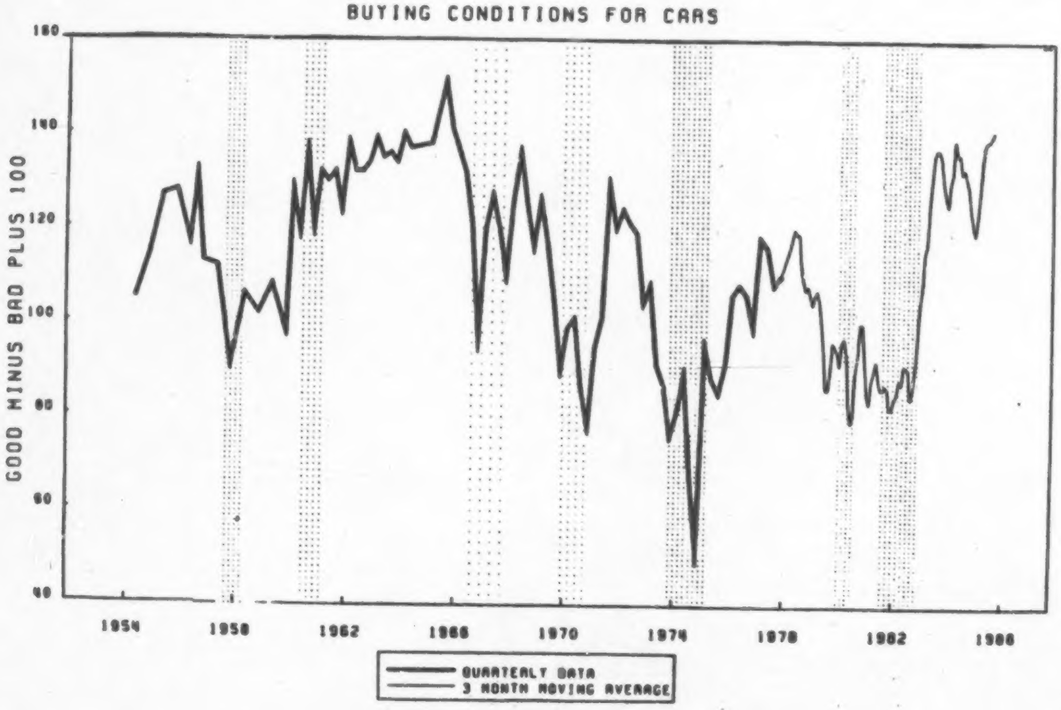


TABLE 30

BUYING CONDITIONS FOR CARS

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
GOOD TIME TO BUY	59%	59%	54%	55%	55%	62%	61%	67%	68%	65%	67%	67%	64%
UNCERTAIN; DEPENDS	11	6	12	8	10	8	9	6	6	5	7	10	10
BAD TIME TO BUY	30	35	34	37	35	30	30	27	26	30	26	23	26
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

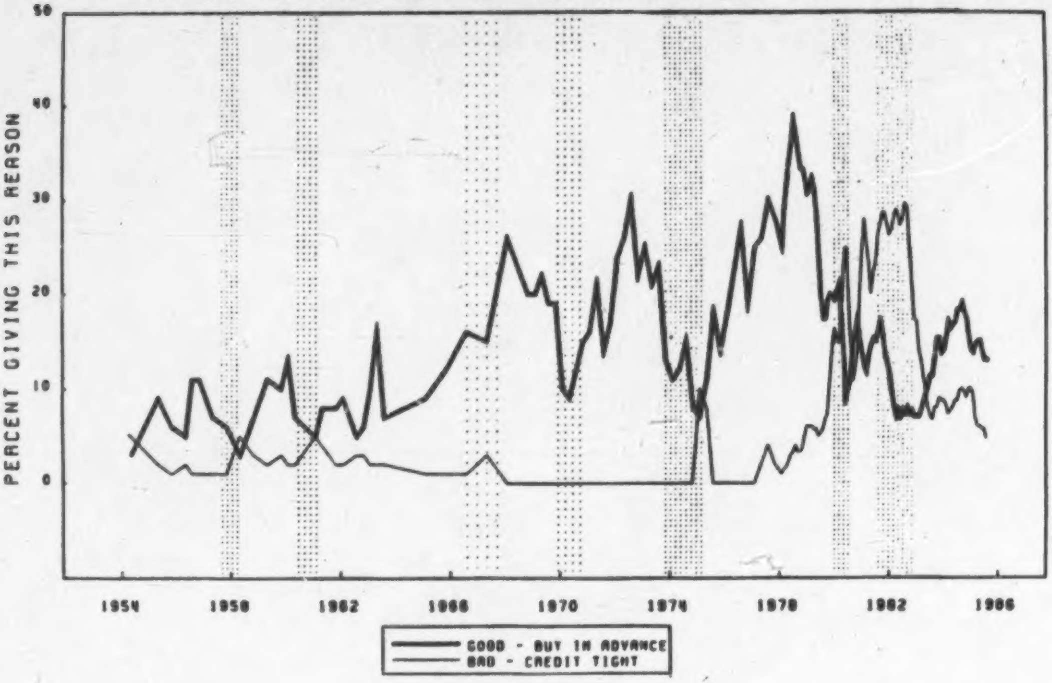


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

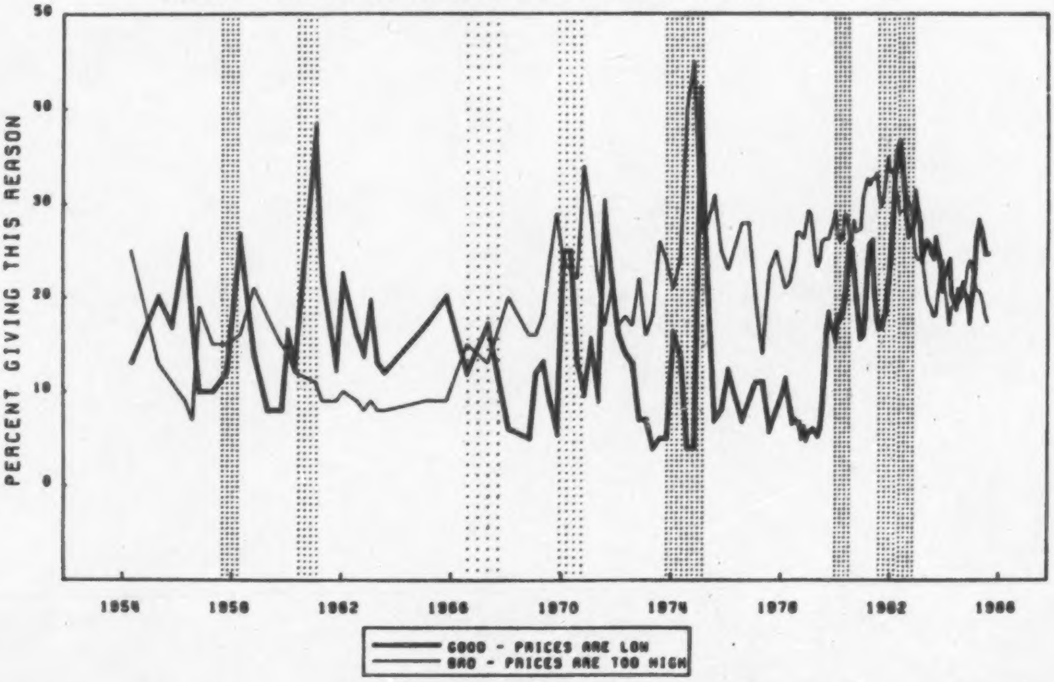


TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	19%	24%	18%	18%	18%	24%	26%	30%	28%	24%	26%	24%	24%
Prices won't come down; are going higher	17	20	17	15	14	13	14	17	14	14	13	12	14
Interest rates low; credit is easy	17	15	14	18	15	23	24	23	25	28	35	35	36
New fuel efficient models	2	1	2	*	2	*	1	1	1	1	1	1	1
BAD TIME TO BUY:													
Prices are high	19	22	23	25	24	21	21	20	21	20	17	17	18
Interest rates are high; credit is tight	12	9	8	10	12	8	8	5	5	8	4	5	5
Lack of purchasing power	5	6	6	8	7	7	6	6	4	6	6	6	4
Price of gas; shortages	1	*	*	*	*	*	*	*	*	*	*	*	*
Poor selection; quality	4	3	3	5	4	4	4	3	4	3	4	3	4

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

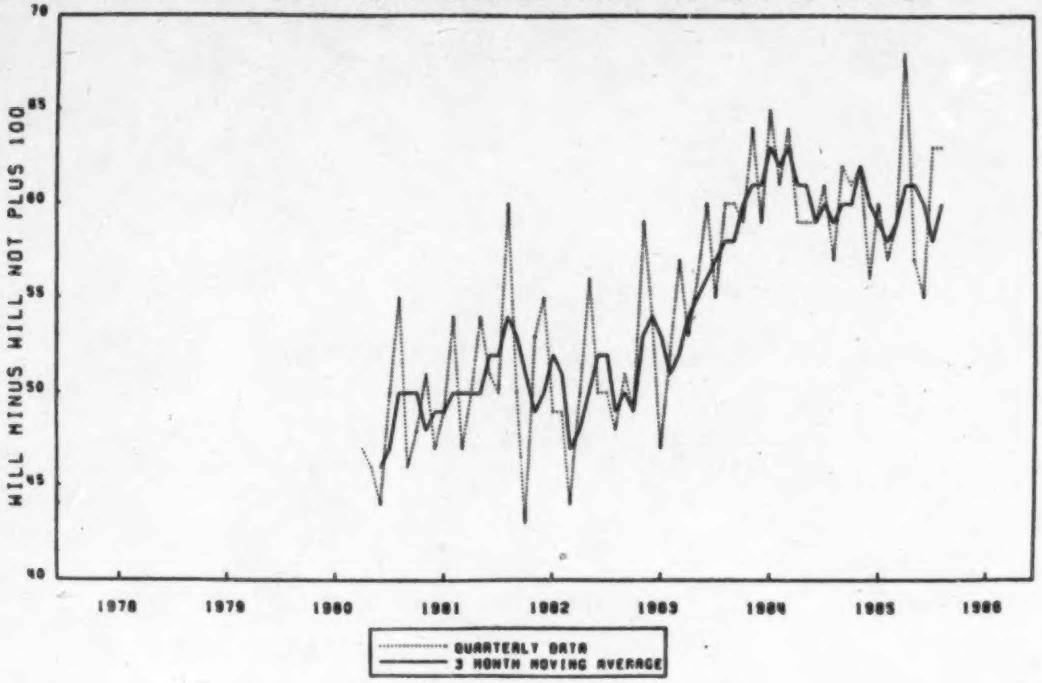


CHART 32 - HISTORICAL SERIES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

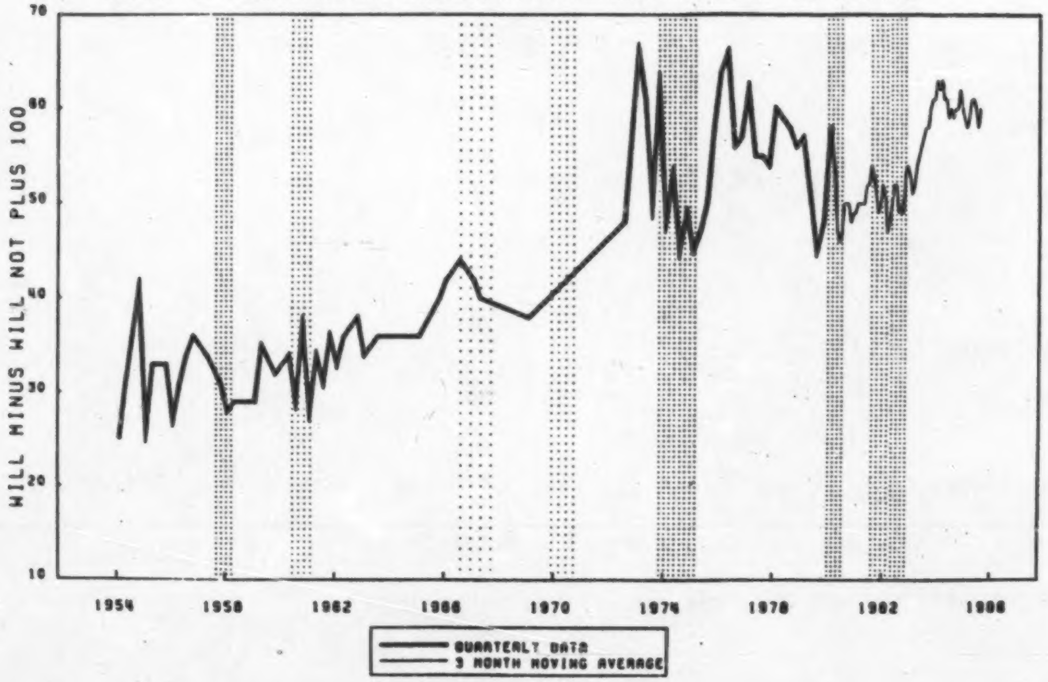


TABLE 32

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
PROBABLY WILL BUY	21%	22%	21%	21%	19%	20%	19%	20%	24%	18%	19%	22%	21%
CHANCES ARE EVEN	7	8	8	9	9	9	9	8	7	9	7	7	7
PROBABLY WILL NOT BUY	64	60	60	59	63	60	62	61	56	61	64	59	58
DK,NA	8	10	11	11	9	11	10	11	13	12	10	12	14
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	693	690	706	710	704	640	655	653	675	661	652	641	650

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
PROPORTION WITH CURRENT PURCHASE INTENTIONS:	28%	30%	29%	30%	28%	29%	28%	28%	31%	27%	26%	29%	28%
PURCHASE TYPE:													
Buy new	15	14	15	15	13	17	15	14	17	14	14	14	14
Buy used	11	13	12	13	13	11	11	13	12	12	10	14	13
Lease	1	2	2	1	1	1	1	1	1	1	2	1	*
DK,NA	1	1	*	1	1	*	1	*	1	*	*	*	1
PURCHASE TIMING:													
Next 3 months	3	1	6	5	3	5	4	2	8	5	1	9	3
Next 4-6 months	5	8	6	7	6	8	9	8	9	7	8	5	6
Next 7-9 months	4	5	7	7	10	7	8	11	6	7	6	5	5
10 months or more	8	10	4	8	7	5	4	5	3	5	6	6	8
DK,NA	8	6	6	3	2	4	3	2	5	3	5	4	6

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985
PROPORTION WITH FUTURE PURCHASE INTENTIONS:	64%	60%	60%	59%	63%	60%	62%	61%	56%	61%	64%	59%	58%
PURCHASE TYPE:													
Would buy new	33	34	31	33	34	35	32	35	34	36	37	35	31
Would buy used	29	25	27	25	28	25	28	25	21	25	26	24	26
DK,NA	2	1	2	1	1	*	2	1	1	*	1	*	1
PURCHASE TIMING:													
Less than 2 years	8	5	7	7	7	8	9	6	5	7	8	5	4
2 years	25	21	21	20	23	18	19	21	21	21	24	20	21
3 years	8	11	10	9	10	9	10	10	11	13	10	10	10
4 years or more	15	17	16	17	15	19	17	19	14	16	16	22	19
Indefinite	3	2	1	2	3	2	2	2	1	1	2	1	2
DK,NA	5	4	5	4	5	4	5	3	4	3	4	1	2

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

CHART 1 - RECENT CHANGES

THE INDEX OF CONSUMER SENTIMENT

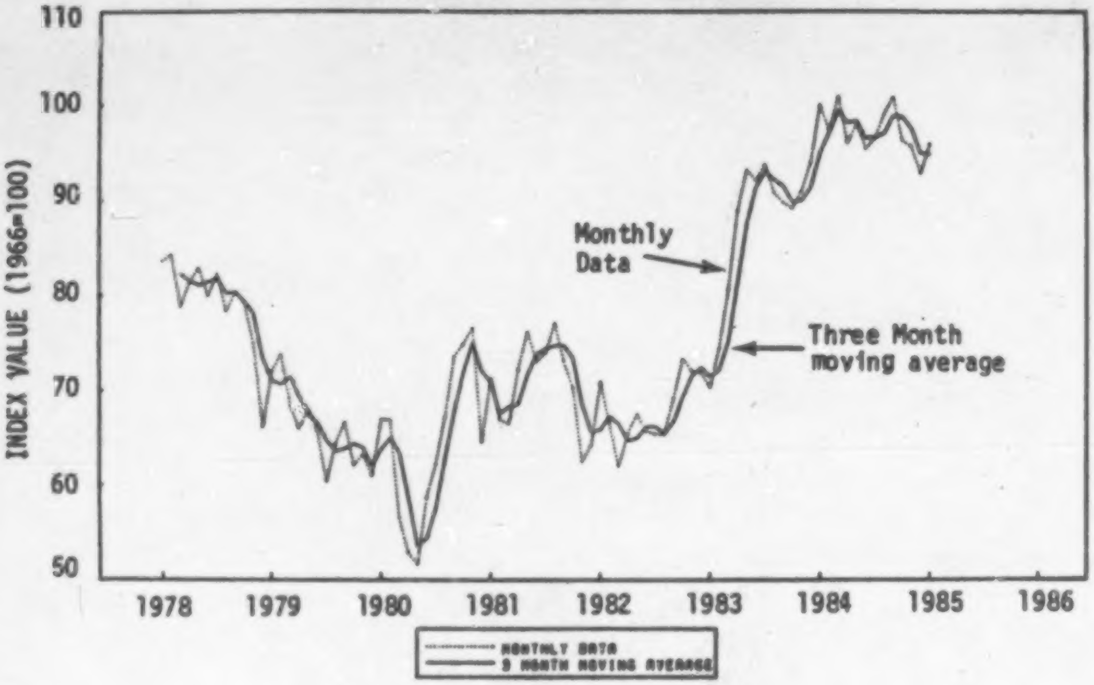
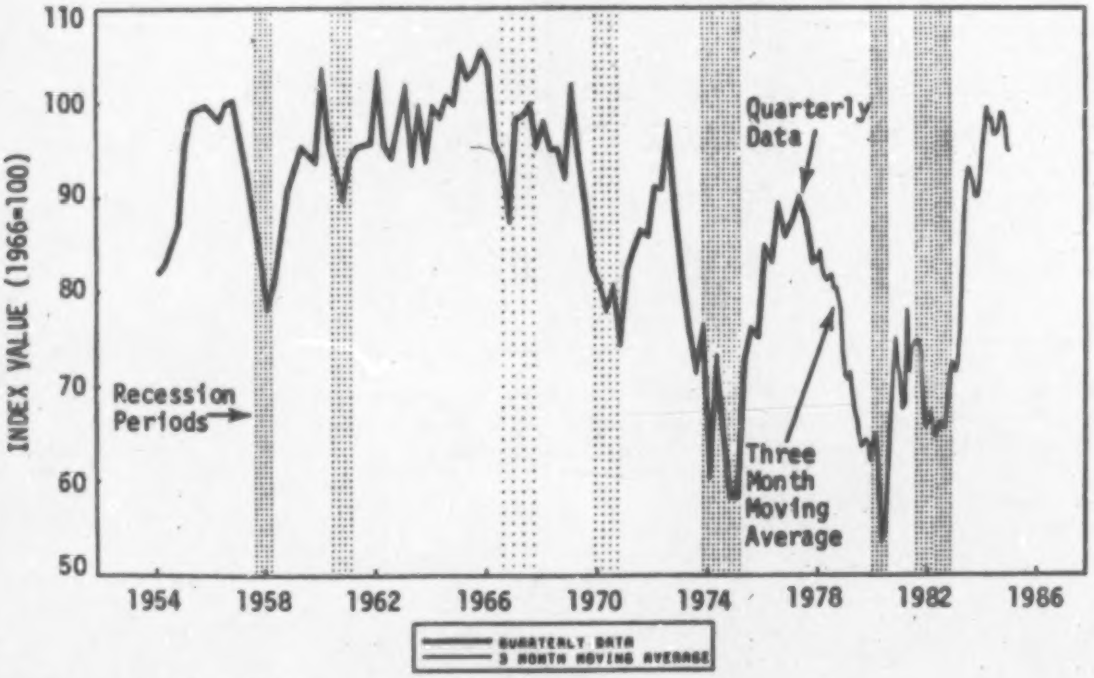


CHART 1 - HISTORICAL SERIES

THE INDEX OF CONSUMER SENTIMENT



DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES:
November 1948 - October 1949
July 1953 - May 1954
August 1957 - April 1958
April 1960 - February 1961
June 1966 - November 1967*
December 1969 - November 1970
November 1973 - March 1975
January 1980 - July 1980
July 1981 - November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

***GROWTH RECESSION:** Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

Reported Percentages	Number of Interviews		
	700[b]	1,400[c]	2,100[d]
50	4.2	3.2	2.8
30 or 70	3.8	2.9	2.5
20 or 80	3.4	2.6	2.2
10 or 90	2.5	1.9	1.6
5 or 95	1.8	1.4	1.2

---

[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

R7475-2A

AUGUST 1985 MONTHLY REPORT

September 6, 1985

Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

BUYERS DELIGHT IN INTEREST DISCOUNTS

- In the August 1985 survey, the Index of Consumer Sentiment was 92.4, just below the 94.0 recorded one month earlier. The August 1985 figure is 6.7 Index-points below the year earlier reading, but remains just above the August 1983 figure of 90.9. Reduced interest rates on consumer loans have maintained buying attitudes at near record levels. Although consumers expected slow economic growth during the year ahead, they expected it to be accompanied by low rates of inflation, and only to lead to marginal increases in the unemployment rate.

- Among families with incomes of $25,000 and over, the Index stood at 104.1 in the August 1985 survey, up from 102.6 in July, but below the year earlier figure of 109.2.

- Consumer sentiment has remained at very favorable levels for more than two years, the highest sustained period since the 1960s. But in sharp contrast to the optimism of the 1960s, no boom psychology has developed in the 1980s. Concern with the long term viability of the economy, especially with more limited job prospects in an era of increasing international competition, has caused consumers to adopt a more cautious outlook.

- As the period of economic expansion has lengthened, consumers have increasingly expected the rate of improvement to slow. Only small changes are expected in economic trends during the year ahead. It is this sense of renewed economic stability, in contrast to the volatility of the past decade, that underpins continuing favorable economic assessments.

- The most important factor in shaping recent developments in consumer attitudes and expectations has been that the current expansion has not been accompanied by rising inflation. Despite slow income growth, the low rates of expected inflation have supported favorable prospects for consumers' own financial situation, as well as for the economy as a whole.

- Reduced interest rates on mortgages and vehicle loans were cited in record proportions in the August 1985 survey in support of favorable buying attitudes. Favorable attitudes toward buying conditions for homes were held by 69 percent of all families, with 54 percent that cited the availability of reduced mortgage rates. Favorable car buying attitudes were held by 64 percent of all families, with 35 percent that mentioned reduced interest rates on vehicle loans.

• • •

Consumers now perceive a new advantage in the market place. Gone are the days when consumers felt pressured to act by ever escalating prices. Today, consumers are more willing to engage in comparative price shopping, and expect to be enticed by discounts on prices as well as interest rates. Rather than the consumer scrambling to keep up with price increases, now sellers must scramble to keep up with the more demanding consumer. The recent data indicate that consumer purchases of homes, vehicles, and large durable goods will remain at high levels through the start of 1986, but the maintenance of sales at high levels will depend on the continued availability of price and interest rate incentives.

Reduced Interest Rates Draw Record Attention

Buying attitudes were maintained at favorable levels in the August 1985 survey due to widespread awareness of reduced interest rates on mortgage and vehicle loans. In addition, consumers continued to hold favorable perceptions of market prices.

Among all families in the August 1985 survey, 64 percent favorably rated buying conditions for vehicles, just below the 67 percent recorded one month earlier, but above the 59 percent recorded one year earlier. In support of these positive buying attitudes, 35 percent of all families mentioned the availability of reduced interest rates on vehicle loans, up from 12 percent one year earlier, and the highest level ever recorded (see Table A). Favorable references to vehicle prices were made by 24 percent of all families in the August 1985 survey, up from 19 percent one year earlier.

Favorable attitudes toward buying conditions for homes were held by 69 percent of all families in the August 1985 survey, just below the all-time peak of 73 percent recorded one month earlier, and substantially above the 50 percent recorded one year earlier. When asked to explain their views toward buying conditions for homes, 54 percent of all families in the August 1985 survey mentioned the availability of reduced mortgage interest rates, up from 22 percent one year earlier, and the highest level ever recorded (see Table A). Favorable references to current market prices for homes were made by 23 percent of all families in the August 1985 survey, up from 14 percent one year earlier, and just below the 20 year peak of 25 percent recorded in 1983.

Buying conditions for large household durables were viewed favorably by 69 percent of all families in the August 1985 survey, just below the 74 percent recorded one month earlier, and the 72 percent recorded one year earlier. The primary reason given by consumers for these favorable buying attitudes was the availability of price discounts. Among all families in the August 1985 survey, 38 percent mentioned the availability of price discounts, above the year earlier figure of 35 percent, but below the all time peak of 45 percent recorded at the start of both 1984 and 1985.

Slower Income Growth Weakens Personal Finances

In the August 1985 survey, 41 percent of all families reported that their financial situation improved during the past year, down from the cyclical peak of 48 percent recorded in the August 1984 survey. This small decline nonetheless leaves reports of financial progress more frequent in the August 1985 survey than at any time during the 1970s. When asked to explain how their financial situation had changed during the past year, references to increases in family income fell to 33 percent in the August 1985 survey from 38 percent one year earlier. The proportion of families that reported declines in family income was 16 percent in the August 1985 survey, unchanged from one year earlier.

Nearly half of all families expected their future financial situation to remain similar to their current situation in both the August 1985 (48 percent) and the August 1984 (49 percent) surveys. An improved financial situation was expected during the year ahead by 36 percent of all families in the August 1985 survey, just below the 38 percent recorded one year earlier. Very few families expected their financial situation to worsen during the year ahead in the August 1985 survey (13 percent).

When asked about future income prospects, the proportion of families that expected income increases fell to 57 percent in the August 1985 survey, from 63 percent one year earlier. And among families that expected income increases, fewer families expected income increases of 6% or more in the August 1985 survey (31 percent, down from 36 percent one year earlier).

Despite this small decline in financial optimism, consumers remain willing to incur new debt in order to finance major purchases. In the August 1985 survey, 30 percent of all families said that they were not reluctant to buy on credit, up from 28 percent one year earlier, and more than twice the level recorded in 1982 (12 percent). Willingness to use accumulated savings to make major purchases was reported by 36 percent of all families in the August 1985 survey, slightly below the 39 percent recorded one and two years earlier.

Prolonged Slow Growth Expected, But No Recession

Favorable assessments of the national economy have steadily declined in frequency during the past year, falling to 51 percent in the August 1985 survey, from the cyclical peak of 75 percent recorded in the January 1984 survey. This growing awareness of the slowdown in economic growth, however, has not been accompanied by rising concerns that the economy would fall into recession. Few families in the August 1985 survey expected the economy to worsen during the year ahead (14 percent). Rather than recession, consumers have increasingly expected the national economy to continue at its current slow pace of growth. In the August 1985 survey, 57 percent of all families expected the annual rate of economic growth during the year ahead to be similar to last year's pace, up from 49 percent one year earlier, and 42 percent two years earlier.

This outlook for continued slow economic growth was mirrored in expectations that the aggregate unemployment rate would remain largely unchanged at its current level during the year ahead (52 percent). Among the other half of consumers, however, the balance of expectations pointed toward increases in unemployment (29 versus 17 percent).

While concerns with job prospects represent the negative aspect of the economic outlook, low rates of inflation continued to bolster overall evaluations of the economy. In the August 1985 survey, consumers expected the annual inflation rate to average 3.7%, down from 4.3% one month earlier, and 4.6% one year earlier. That slow economic growth was expected to be accompanied by low rates of inflation has led the majority of consumers to expect good times financially in the economy as a whole during the year ahead (57 percent).

• • •

The August 1985 survey included 650 completed interviews, conducted between August 1 and August 30, 1985.

TABLE A

REFERENCES TO INTEREST RATES IN SUPPORT OF FAVORABLE BUYING CONDITIONS

Survey Date		Durables		Houses[a]		Vehicles	
		Low Rates	BiA Rates	Low Rates	BiA Rates	Low Rates	BiA Rates
January	1980	1%	2%	na	na	1%	1%
February	1980	1	2	2	7	1	2
March	1980	1	4	na	na	1	2
April	1980	*	3	*	3	3	1
May	1980	*	2	3	3	*	1
June	1980	2	1	14	2	2	1
July	1980	4	1	17	6	2	1
August	1980	3	2	19	9	3	1
September	1980	1	2	11	11	2	2
October	1980	1	3	6	10	1	2
November	1980	*	2	2	8	1	2
December	1980	1	2	1	5	2	2
January	1981	*	2	1	3	4	1
February	1981	1	2	2	5	2	1
March	1981	1	*	1	4	1	1
April	1981	*	2	3	6	2	1
May	1981	1	2	4	3	3	1
June	1981	*	1	1	4	2	1
July	1981	1	1	2	4	2	1
August	1981	2	1	3	5	4	1
September	1981	*	1	3	3	4	2
October	1981	*	1	1	3	4	*
November	1981	1	1	2	2	5	*
December	1981	1	1	4	2	4	1
January	1982	2	1	5	3	4	2
February	1982	1	1	4	3	3	*
March	1982	*	1	3	2	3	*
April	1982	1	*	4	2	7	*
May	1982	2	1	3	3	10	1
June	1982	1	1	5	2	6	1
July	1982	1	1	2	2	4	1
August	1982	1	1	3	4	5	1
September	1982	3	1	16	4	9	1
October	1982	4	1	19	4	10	1
November	1982	5	*	25	5	19	1
December	1982	6	2	30	5	26	1

REFERENCES TO INTEREST RATES IN SUPPORT OF FAVORABLE BUYING CONDITIONS(Cont'd)

Survey Date		Durables		Houses[a]		Vehicles	
		Low Rates	BiA Rates	Low Rates	BiA Rates	Low Rates	BiA Rates
January	1983	7%	*	33%	4%	27%	2%
February	1983	7	1	35	5	34	1
March	1983	7	1	38	6	33	1
April	1983	12	2	46	8	38	2
May	1983	12	1	49	6	38	2
June	1983	13	3	49	12	38	2
July	1983	14	2	40	9	34	3
August	1983	11	1	33	11	30	3
September	1983	9	3	35	12	25	3
October	1983	6	1	29	9	17	2
November	1983	6	2	29	11	20	2
December	1983	6	1	30	11	16	3
January	1984	8	1	33	8	20	3
February	1984	9	2	38	12	19	3
March	1984	8	2	36	13	19	3
April	1984	8	6	29	23	15	7
May	1984	7	4	24	20	14	4
June	1984	7	4	21	17	12	6
July	1984	5	5	21	16	16	8
August	1984	6	2	22	13	12	5
September	1984	6	2	22	12	11	4
October	1984	7	4	24	11	10	4
November	1984	8	3	33	11	15	3
December	1984	8	2	32	6	12	3
January	1985	10	1	42	7	21	2
February	1985	9	2	42	8	23	1
March	1985	8	2	38	10	21	2
April	1985	10	3	34	13	22	3
May	1985	9	2	35	8	25	3
June	1985	11	2	50	6	32	3
July	1985	13	1	51	6	33	2
August	1985	15	*	54	4	35	1

*Less than 0.5 percent.

[a] Also includes homes, home repairs and real estate.

NOTE: The proportions given above provide greater detail than is reported in the monthly tables (see Tables 27, 29 and 31). The monthly tables report the total proportion of respondents that made favorable references to credit conditions. The figures above divide this total into those respondents that referred to the current availability of low interest rates, and those that referred to buying-in-advance of rising interest rates.

10/8/85 U7475-2

SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

TABLES AND CHARTS

SEPTEMBER 1985

The September 1985 survey is the 204th in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

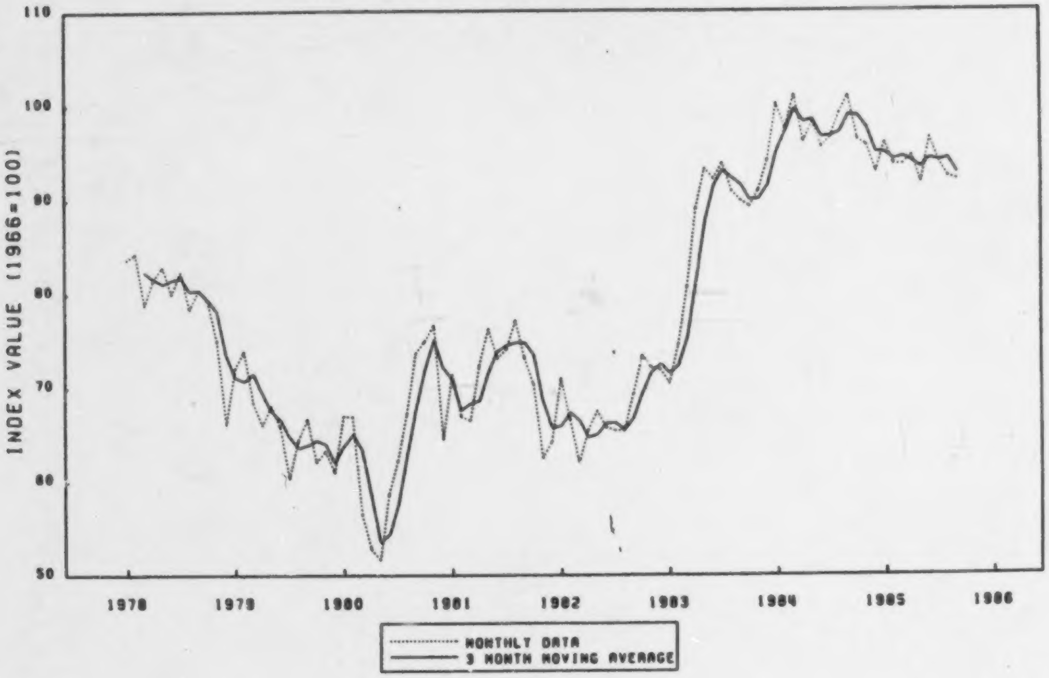


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

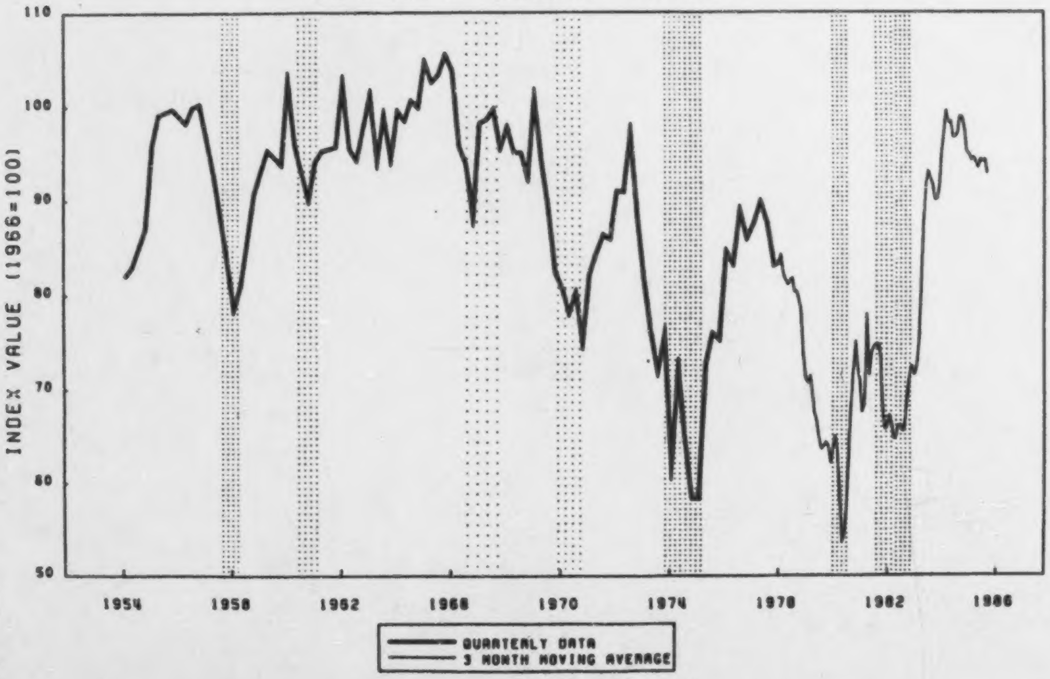


TABLE 1

THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY	All families	Families with incomes over $20,000	Families with incomes over $25,000
September 1982	69.3	78.4	81.1
October 1982	73.4	77.5	80.9
November 1982	72.1	79.3	81.1
December 1982	71.9	78.0	80.5
January 1983	70.4	78.2	78.8
February 1983	74.6	79.9	81.3
March 1983	80.8	88.4	88.9
April 1983	89.1	97.1	99.0
May 1983	93.3	99.6	101.0
June 1983	92.2	101.2	102.5
July 1983	93.9	104.4	106.5
August 1983	90.9	101.2	103.5
September 1983	89.9	99.0	102.3
October 1983	89.3	99.5	101.9
November 1983	91.1	97.2	98.8
December 1983	94.2	101.7	104.5
January 1984	100.1	112.0	114.2
February 1984	97.4	109.6	111.2
March 1984	101.0	110.9	114.2
April 1984	96.1	103.9	105.5
May 1984	98.1	105.6	107.1
June 1984	95.5	104.4	104.5
July 1984	96.6	103.2	102.8
August 1984	99.1	106.7	109.2
September 1984	100.9	109.7	111.7
October 1984	96.3	106.2	107.7
November 1984	95.7	108.6	111.0
December 1984	92.9	99.2	100.1
January 1985	96.0	104.1	106.7
February 1985	93.7	105.4	107.4
March 1985	93.7	106.5	108.8
April 1985	94.6	102.8	107.9
May 1985	91.8	99.5	100.3
June 1985	96.5	101.2	104.3
July 1985	94.0	100.0	102.6
August 1985	92.4	99.4	104.1
September 1985	92.1	100.0	99.5

CHART 2A - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

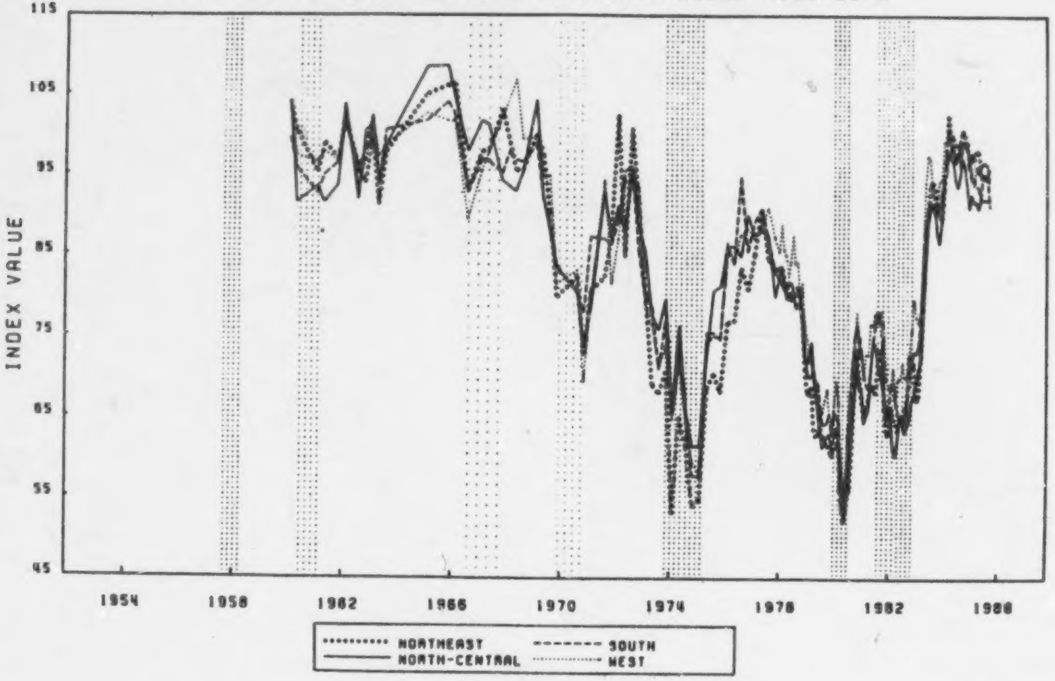


CHART 2B - HISTORICAL SERIES
INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

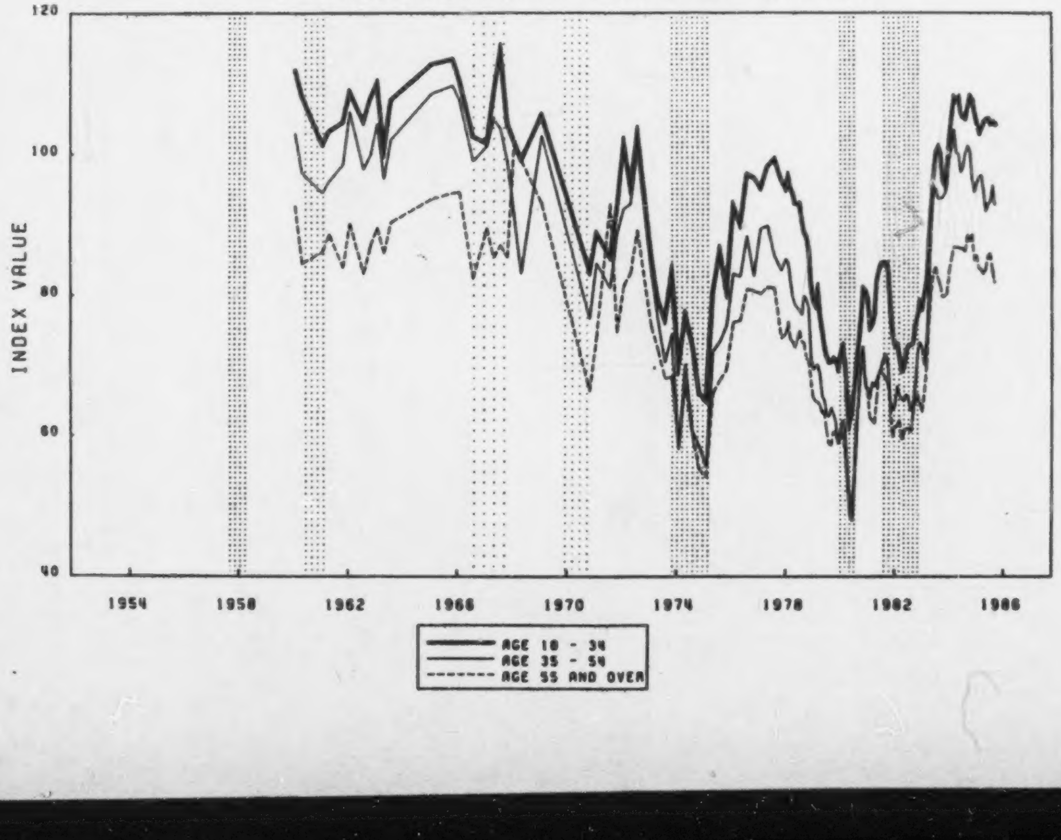


TABLE 2

INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

DATE OF SURVEY	CENSUS REGION				AGE OF RESPONDENT		
	North East	North Central	South	West	18-34	35-54	55+
September 1982	70.3	67.2	71.1	68.8	73.0	66.7	68.0
October 1982	77.8	66.2	74.1	79.3	81.2	72.1	65.5
November 1982	70.6	67.9	73.2	79.3	76.6	75.7	63.8
December 1982	66.1	70.0	72.5	80.4	78.9	71.7	64.2
January 1983	64.9	70.5	73.6	72.8	78.8	70.0	62.0
February 1983	72.1	72.3	75.8	77.2	82.1	68.3	72.4
March 1983	82.9	73.7	82.7	84.4	84.9	81.5	75.5
April 1983	89.1	88.0	87.2	95.6	95.8	90.5	80.5
May 1983	88.3	90.7	93.3	102.7	97.2	97.1	84.9
June 1983	95.1	88.7	92.5	94.1	97.8	94.4	83.9
July 1983	98.3	93.8	89.9	94.3	106.0	93.6	83.0
August 1983	89.6	92.0	91.3	89.6	99.2	92.9	80.0
September 1983	92.6	87.8	89.3	90.8	94.8	94.5	80.9
October 1983	89.9	83.7	91.5	93.5	94.2	93.8	77.8
November 1983	87.7	88.3	91.5	98.5	97.2	94.6	80.7
December 1983	91.4	96.2	95.2	92.2	102.3	97.5	81.8
January 1984	100.7	96.8	97.5	107.5	107.9	106.0	87.4
February 1984	102.3	98.4	93.5	97.1	106.2	98.9	86.5
March 1984	104.8	98.5	102.1	97.5	109.9	105.2	86.6
April 1984	92.5	95.3	98.2	99.3	106.5	95.9	87.0
May 1984	98.8	96.3	96.5	103.9	107.5	98.8	86.6
June 1984	100.1	92.1	95.0	93.7	103.0	97.1	85.9
July 1984	94.3	92.5	100.5	99.3	104.9	98.2	87.1
August 1984	103.1	100.2	97.5	95.4	106.8	105.3	85.2
September 1984	105.0	99.3	99.7	99.9	108.5	99.9	93.3
October 1984	92.5	89.4	100.9	101.7	108.9	95.5	84.2
November 1984	100.3	93.3	95.6	94.1	105.5	94.0	88.1
December 1984	94.8	90.3	93.4	94.0	102.9	94.1	82.2
January 1985	98.2	94.5	94.6	97.8	104.2	99.0	86.6
February 1985	97.9	90.4	96.6	89.7	102.0	97.0	82.3
March 1985	98.3	90.6	89.8	101.1	104.7	94.7	82.0
April 1985	98.1	91.7	94.8	95.3	106.9	92.9	84.3
May 1985	88.7	94.0	91.9	91.3	103.2	87.9	84.6
June 1985	97.7	90.4	99.0	103.6	105.0	97.8	87.9
July 1985	98.4	91.8	92.9	94.8	104.4	93.7	84.8
August 1985	90.7	93.4	93.6	90.6	104.2	94.9	77.3
September 1985	98.5	91.5	87.0	97.5	103.7	89.6	82.8

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

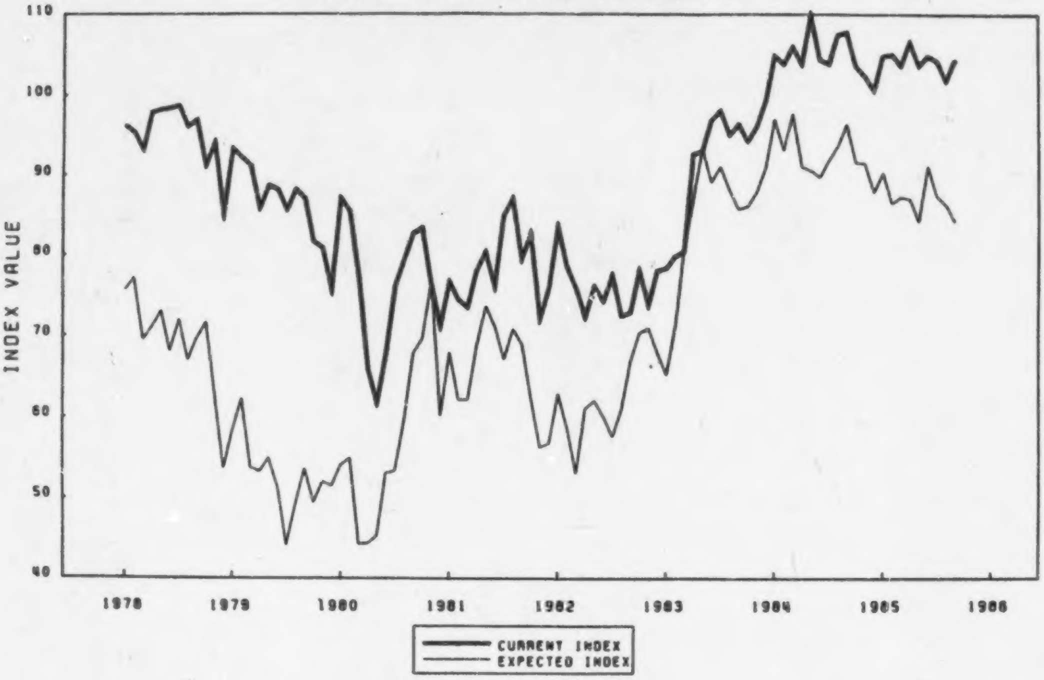


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS

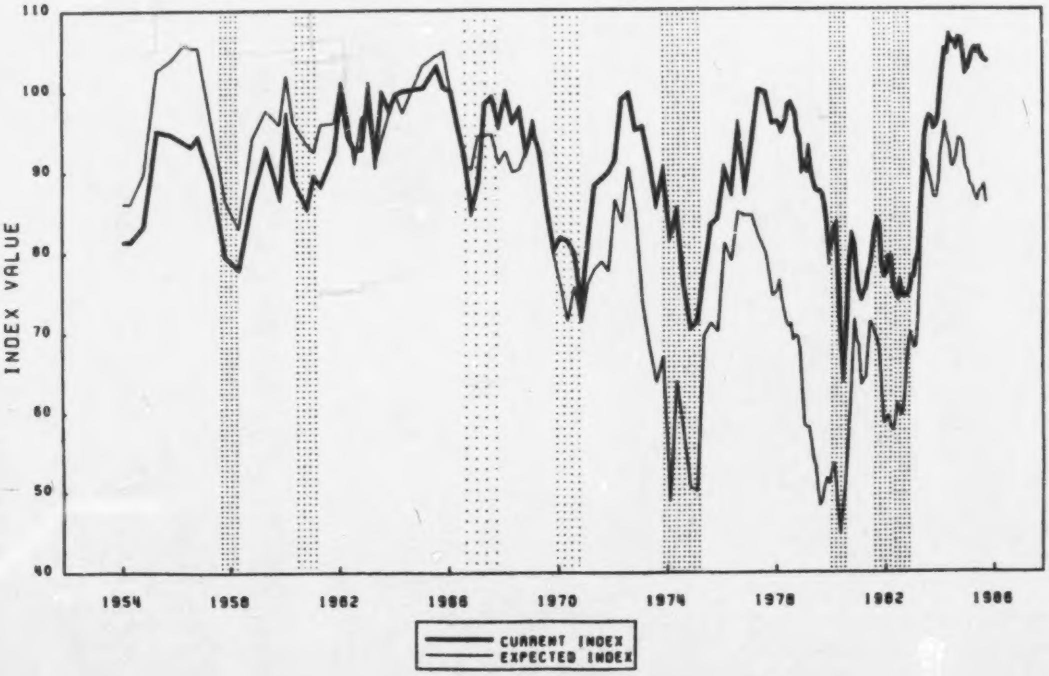


TABLE 3

COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

	INDEX COMPONENTS +						
	Personal finances		Business conditions		Buying conds.	Current Index	Expected Index
DATE OF SURVEY	Current (1)	Expected (2)	12 months (3)	5 years (4)	(5)	(1,5)	(2,3,4)
September 1982	89	116	76	74	98	72.9	66.9
October 1982	95	119	79	83	106	78.1	70.4
November 1982	85	121	77	86	105	73.8	71.0
December 1982	90	117	74	80	111	78.1	67.9
January 1983	91	115	76	69	111	78.4	65.2
February 1983	89	117	87	81	117	79.9	71.2
March 1983	92	126	113	85	115	80.5	80.9
April 1983	108	131	120	99	131	92.7	86.9
May 1983	101	137	139	100	139	93.1	93.4
June 1983	110	128	134	97	141	96.9	89.2
July 1983	111	126	136	104	143	98.1	91.1
August 1983	106	124	130	100	140	95.1	88.2
September 1983	109	125	125	95	140	96.4	85.8
October 1983	104	124	124	98	140	94.3	86.1
November 1983	111	127	129	98	138	96.1	87.9
December 1983	123	125	140	102	134	99.3	91.0
January 1984	117	129	154	108	155	104.9	97.0
February 1984	119	130	139	106	151	103.9	93.2
March 1984	122	135	146	113	153	106.0	97.7
April 1984	117	124	136	106	153	103.9	91.1
May 1984	121	129	131	105	164	109.8	90.6
June 1984	126	124	131	106	145	104.4	89.8
July 1984	117	124	133	113	152	103.9	91.9
August 1984	125	129	137	111	153	107.5	93.7
September 1984	125	131	142	116	154	107.8	96.4
October 1984	118	127	134	107	150	103.6	91.6
November 1984	121	129	132	107	144	102.4	91.5
December 1984	118	125	131	98	143	100.6	87.9
January 1985	119	124	135	104	153	104.9	90.3
February 1985	115	120	131	96	158	105.1	86.5
March 1985	112	123	133	96	156	103.7	87.3
April 1985	116	127	128	95	161	106.6	87.0
May 1985	116	120	121	97	152	103.7	84.2
June 1985	115	127	133	106	157	104.9	91.1
July 1985	116	124	129	98	154	104.3	87.4
August 1985	112	123	125	99	152	101.8	86.3
September 1985	116	124	118	96	155	104.3	84.2

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

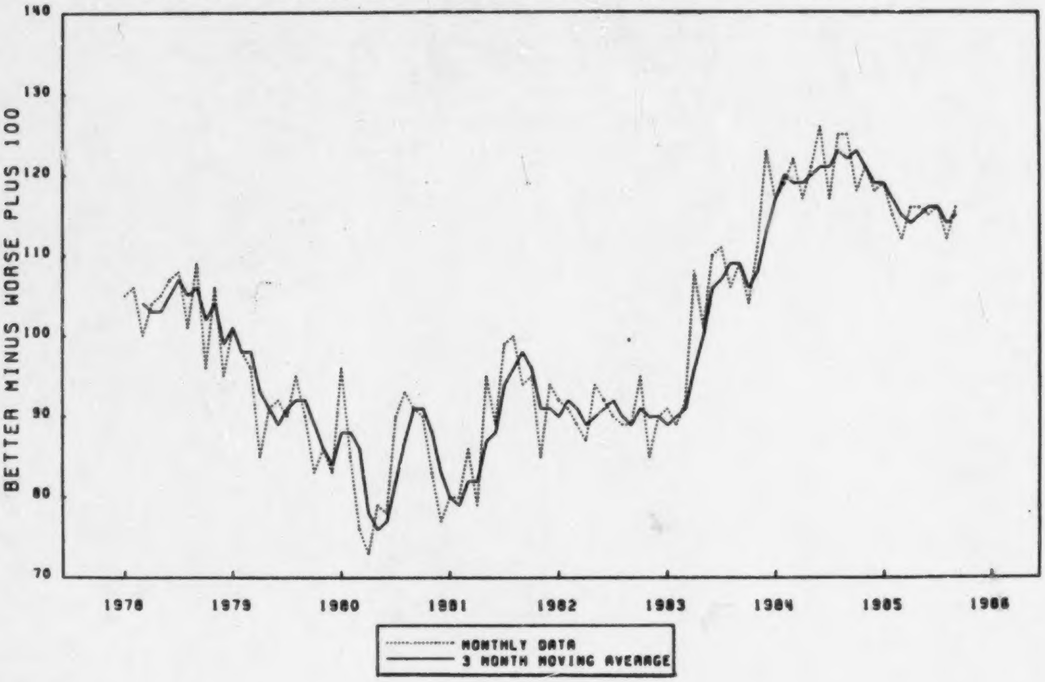


CHART 4 - HISTORICAL SERIES
CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

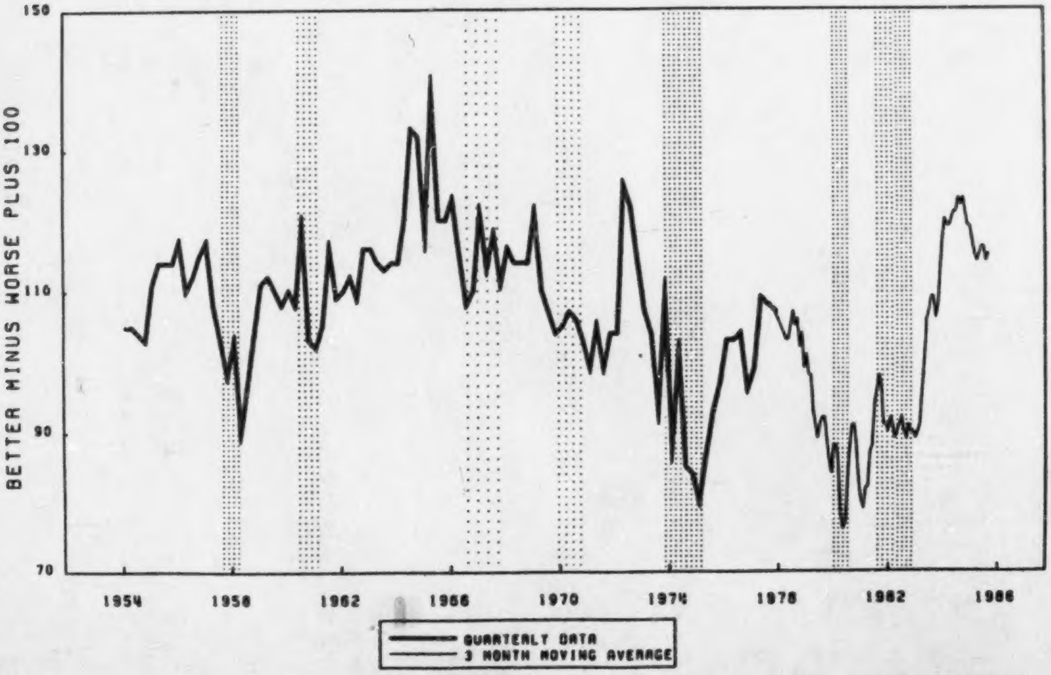


TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
BETTER OFF	45%	44%	46%	44%	42%	42%	40%	41%	40%	43%	42%	41%	43%
SAME	35	30	29	30	35	31	32	34	36	29	32	29	28
WORSE OFF	20	26	25	26	23	27	28	25	24	28	26	29	27
DK,NA	*	*	*	*	*	*	*	*	*	*	*	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

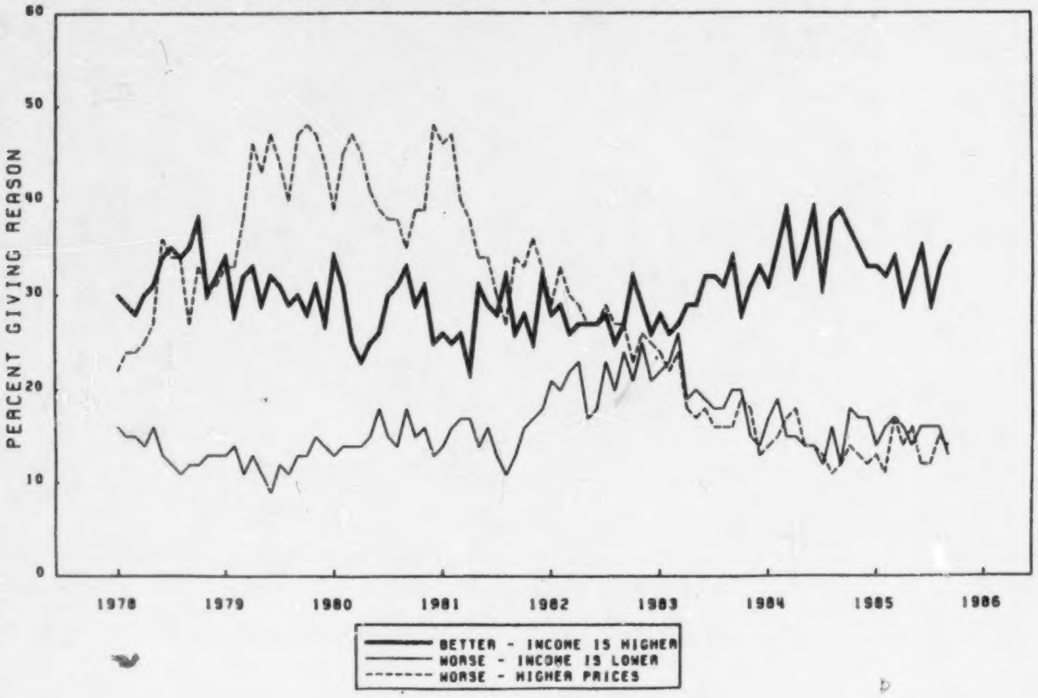


CHART 5 - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

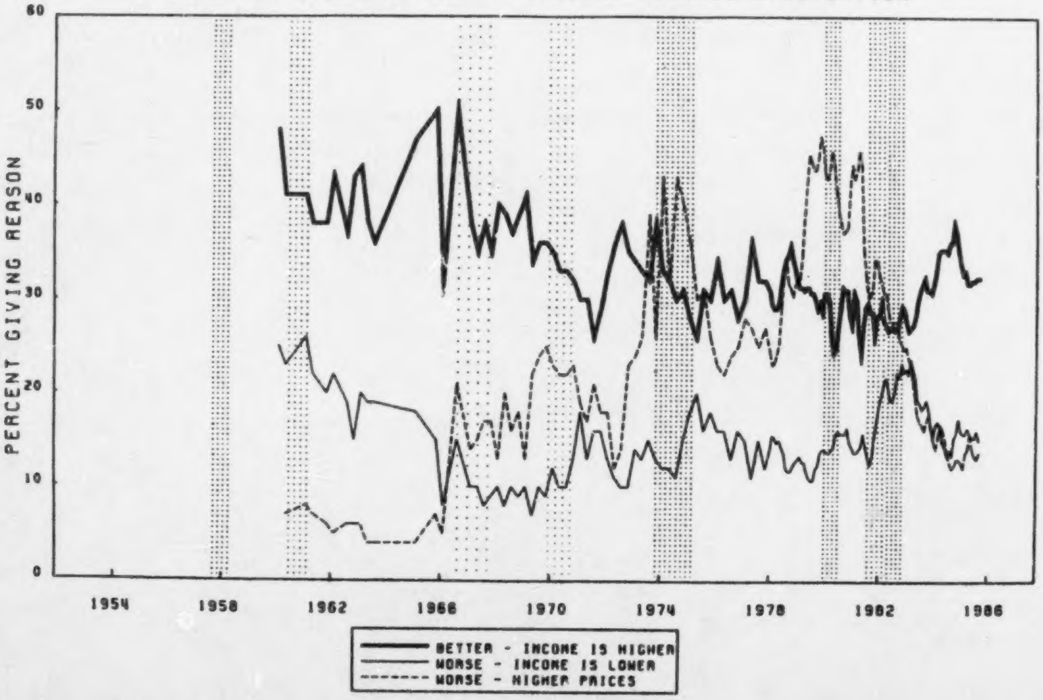


TABLE 5

SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
BETTER OFF THAN YEAR AGO:													
Income is higher	39%	37%	35%	33%	33%	32%	34%	29%	32%	35%	29%	33%	35%
WORSE OFF THAN YEAR AGO:													
Income is lower	12	18	17	17	14	16	17	16	14	16	16	16	13
Higher prices	12	14	13	12	13	11	17	14	16	12	12	15	14

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

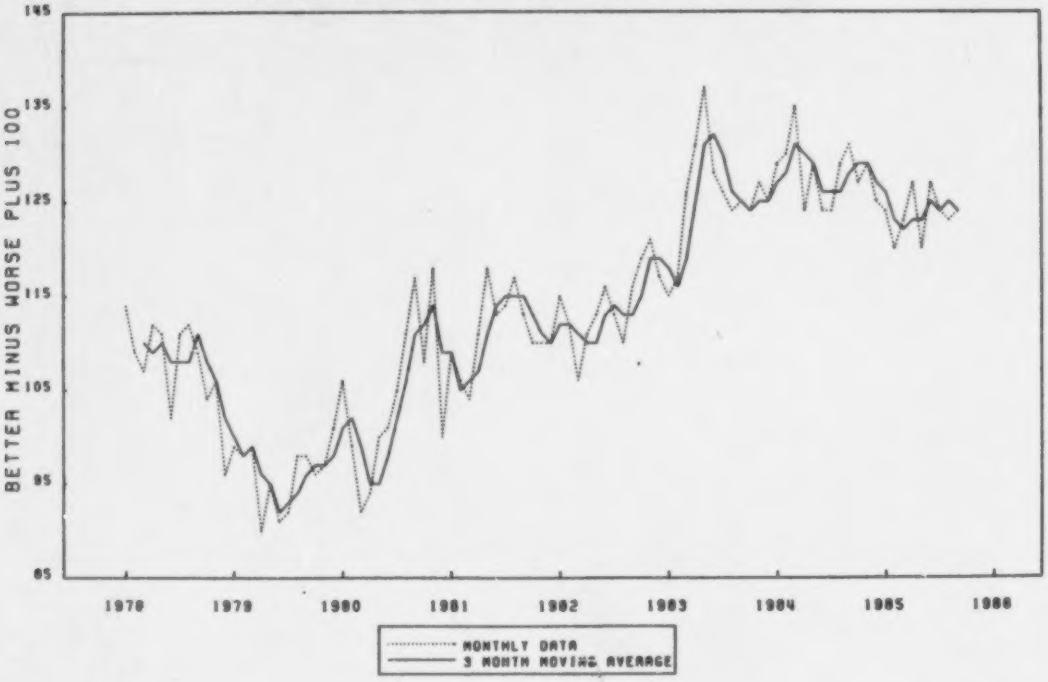


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION

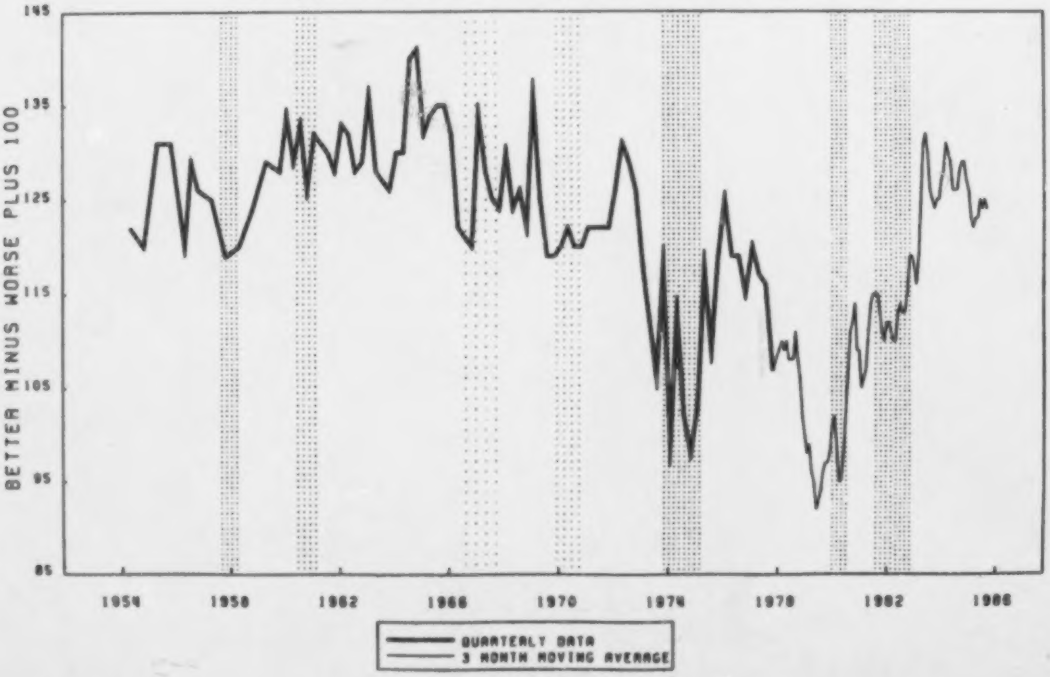


TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
BETTER OFF	39%	38%	39%	36%	35%	33%	36%	37%	34%	36%	35%	36%	35%
SAME	49	47	48	50	52	50	49	49	49	52	51	48	50
WORSE OFF	8	11	10	11	11	13	13	10	14	9	11	13	11
DK,NA	4	4	3	3	2	4	2	4	3	3	3	3	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

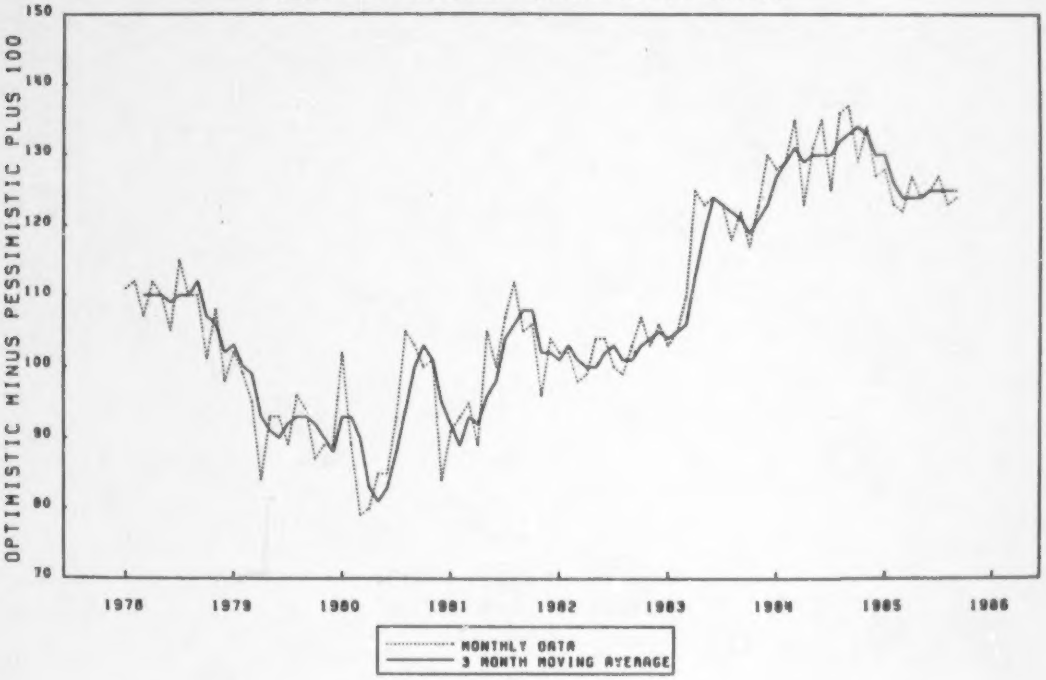


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION

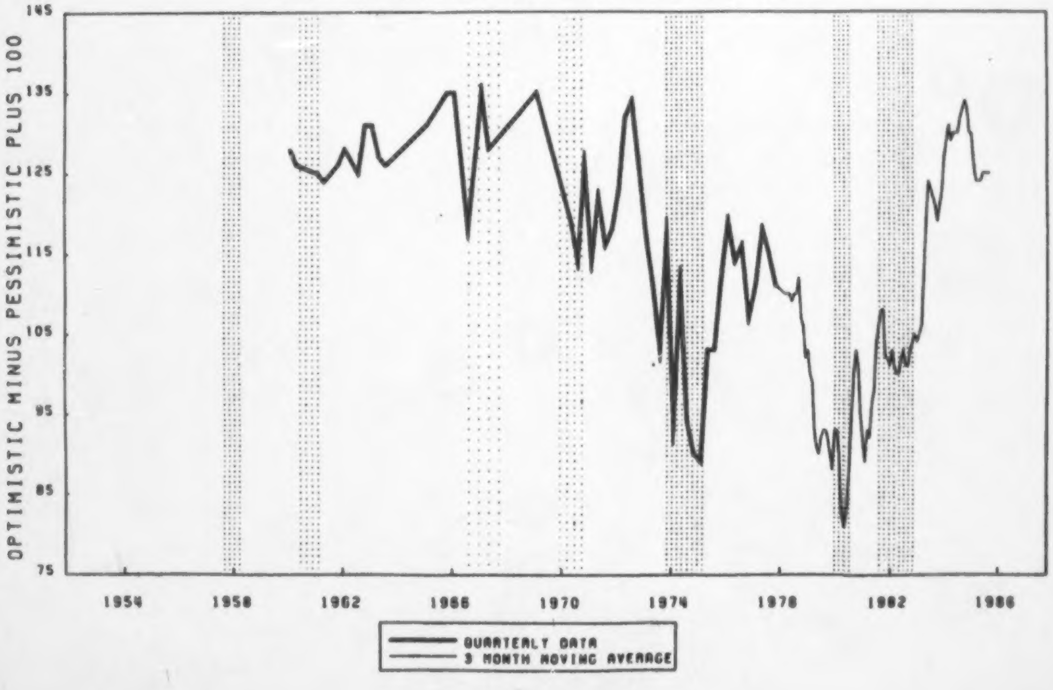


TABLE 7

TREND IN PERSONAL FINANCIAL SITUATION

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
PERSONAL FINANCIAL PROGRESS:													
Continuous increase (a)	25%	21%	21%	23%	19%	20%	20%	22%	20%	22%	20%	19%	22%
Intermittent increase (b)	28	28	32	25	28	24	26	26	26	25	26	25	24
Remain unchanged (c)	20	17	15	19	22	20	18	20	21	19	21	19	18
Intermittent decline (d)	12	15	14	15	15	15	18	16	16	17	13	14	15
Continuous decline (e)	4	5	5	6	4	6	6	5	6	5	6	7	7
Mixed change (f)	7	10	10	9	9	12	10	8	8	9	10	12	9
DK,NA	4	4	3	3	3	3	2	3	3	3	4	4	5
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME

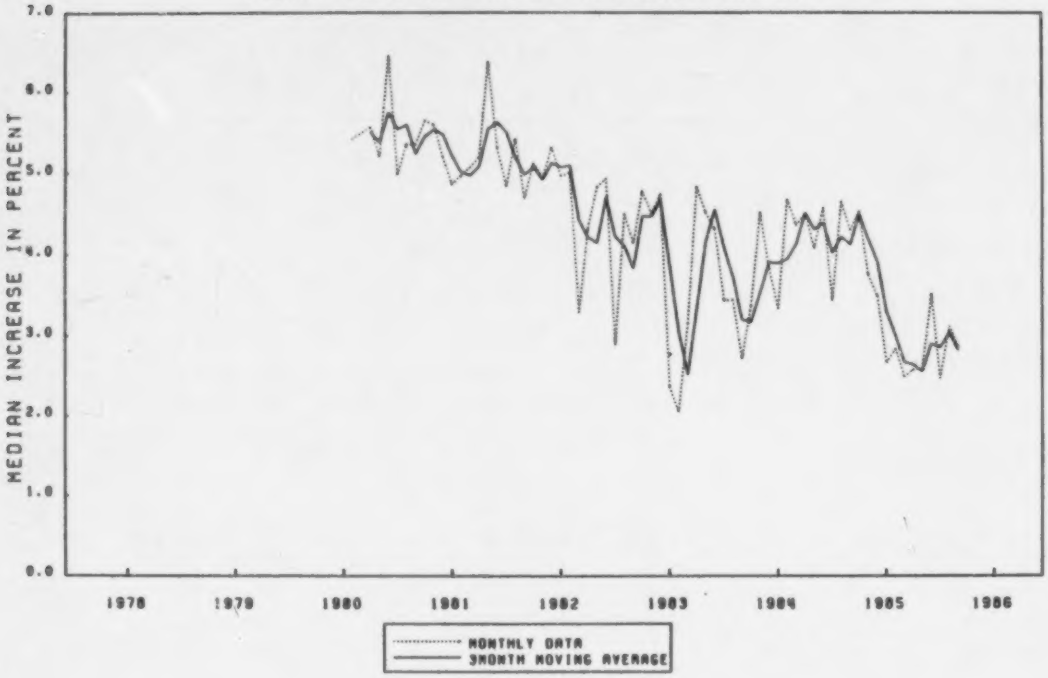


CHART 8 - HISTORICAL SERIES
MEDIAN EXPECTED CHANGE IN FAMILY INCOME

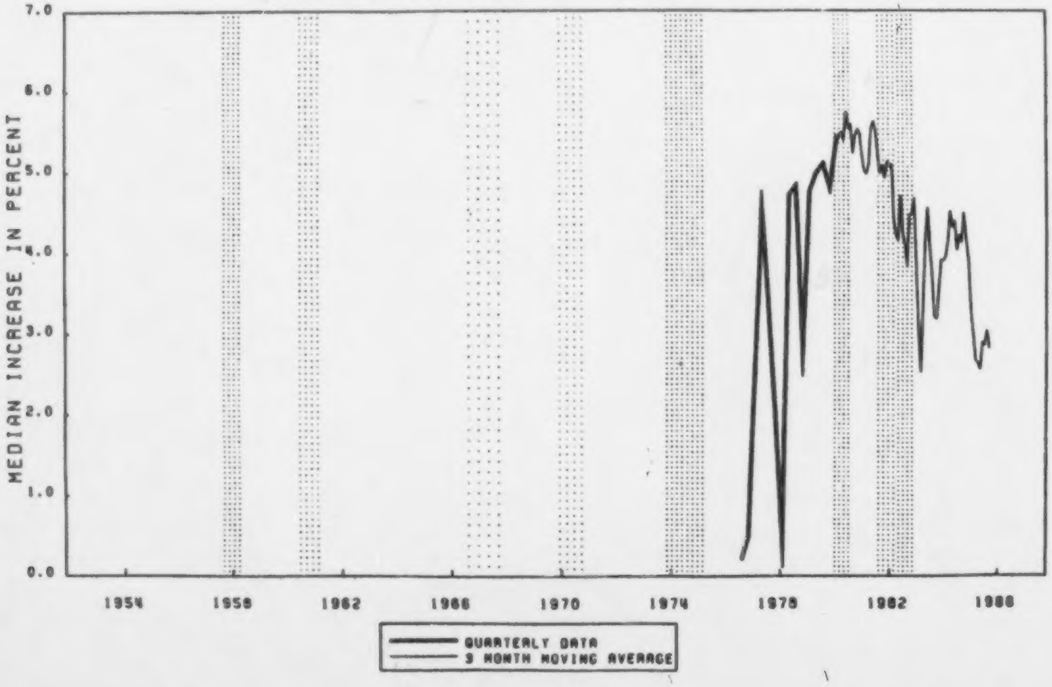


TABLE 8

EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
EXPECT INCREASE:													
1-4%	15%	10%	13%	12%	12%	14%	12%	11%	16%	11%	13%	13%	13%
5%	10	10	9	10	9	11	11	9	9	11	11	10	9
6-9%	10	8	7	8	9	6	7	7	5	7	7	8	8
10-24%	18	20	19	17	17	16	13	17	16	16	14	18	14
25% or more	7	8	8	7	6	7	8	8	7	10	6	5	8
DK how much up	4	5	6	7	3	3	4	3	4	4	3	3	4
EXPECT SAME	23	25	23	23	27	26	29	30	28	26	28	29	28
EXPECT DOWN	11	12	13	15	16	16	15	14	13	14	16	12	13
DK,NA	2	2	2	1	1	1	1	1	2	1	2	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES
INCOME OR PRICES UP MORE DURING THE LAST YEAR

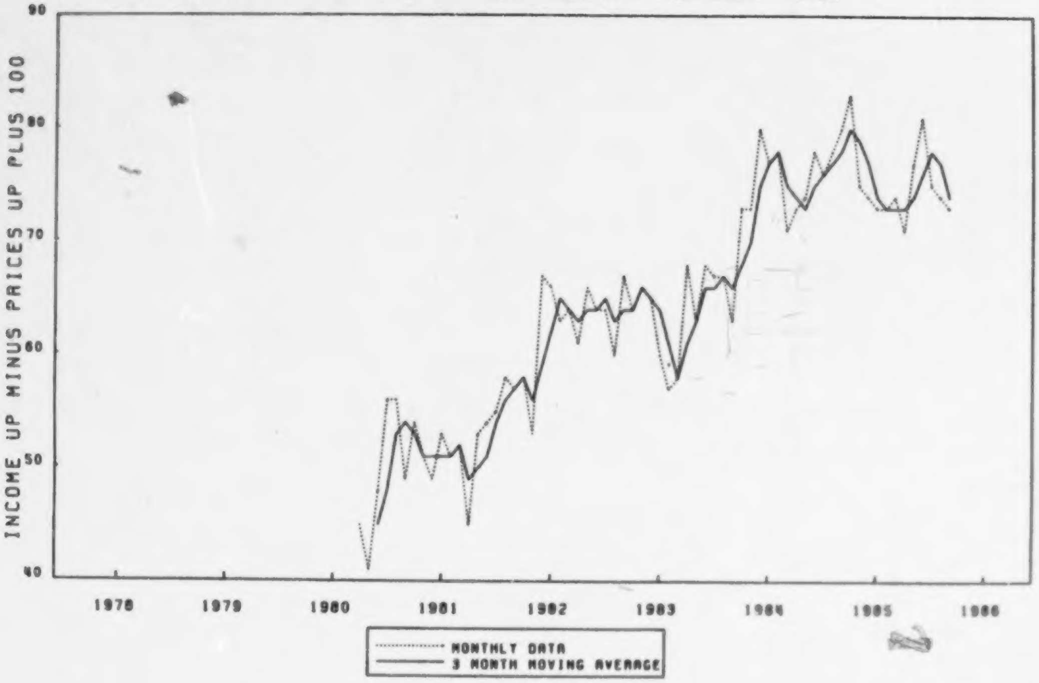


CHART 9 - HISTORICAL SERIES
INCOME OR PRICES UP MORE DURING THE LAST YEAR

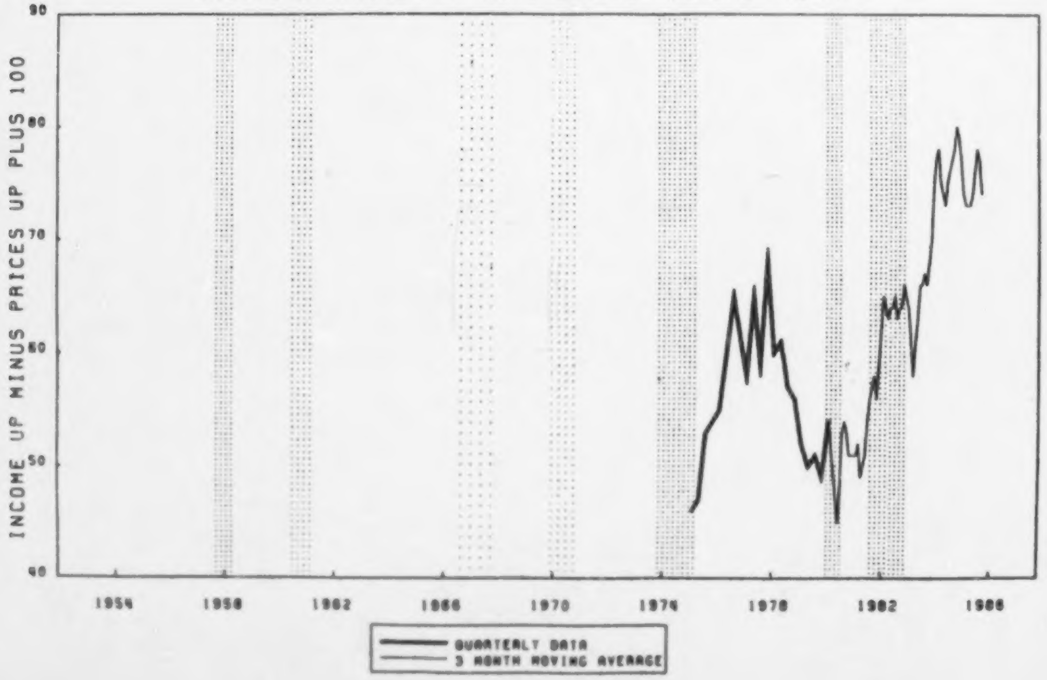


TABLE 9

PAST CHANGE IN REAL FAMILY INCOME

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
INCOME UP MORE	22%	25%	21%	19%	16%	19%	19%	18%	22%	22%	19%	19%	19%
INCOME UP SAME	36	31	31	35	40	34	35	34	32	35	36	34	33
PRICES UP MORE	42	42	46	45	43	46	45	47	45	41	44	45	46
DK,NA	*	2	2	1	1	1	1	1	1	2	1	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

* : Less than half of one percent.

CHART 10 - RECENT CHANGES
INCOME OR PRICES UP MORE NEXT YEAR

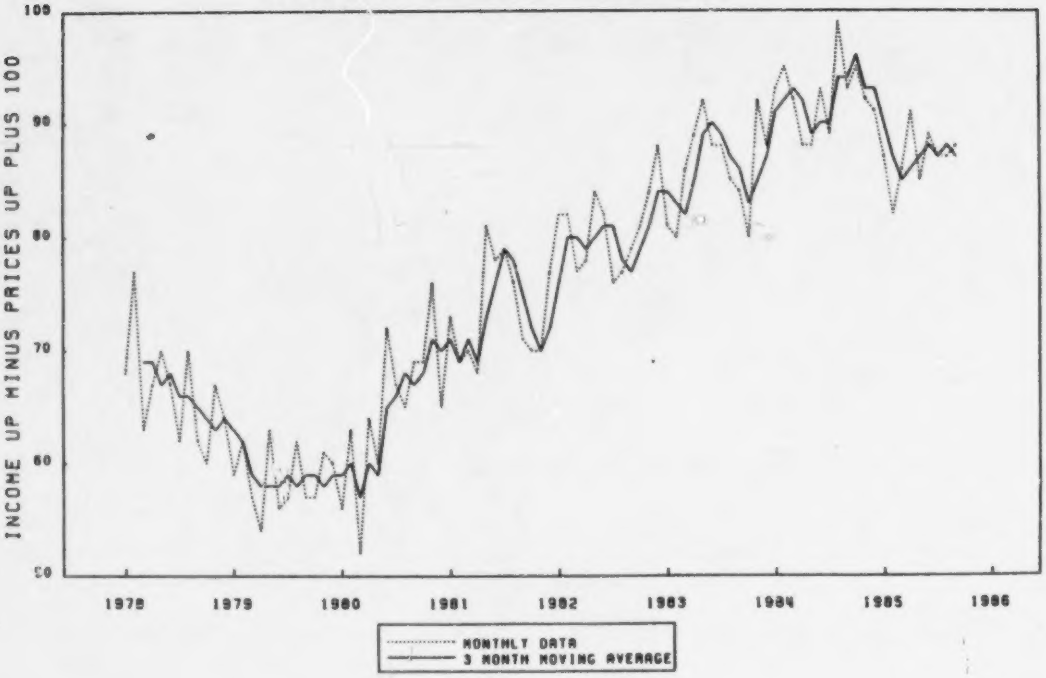


CHART 10 - HISTORICAL SERIES
INCOME OR PRICES UP MORE NEXT YEAR

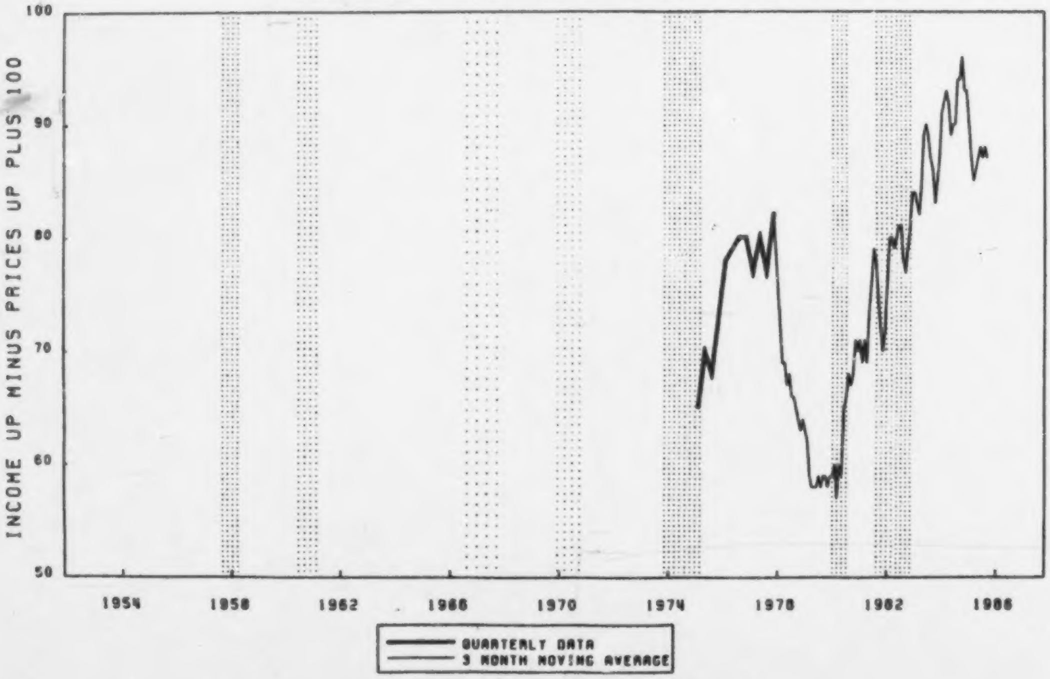


TABLE 10

EXPECTED CHANGE IN REAL FAMILY INCOME

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
INCOME UP MORE	23%	25%	23%	21%	20%	20%	18%	23%	22%	19%	19%	22%	22%
INCOME UP SAME	44	43	44	46	45	40	49	42	39	48	47	40	42
PRICES UP MORE	30	30	31	30	33	38	32	32	37	30	32	35	34
DK,NA	3	2	2	3	2	2	1	3	2	3	2	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON

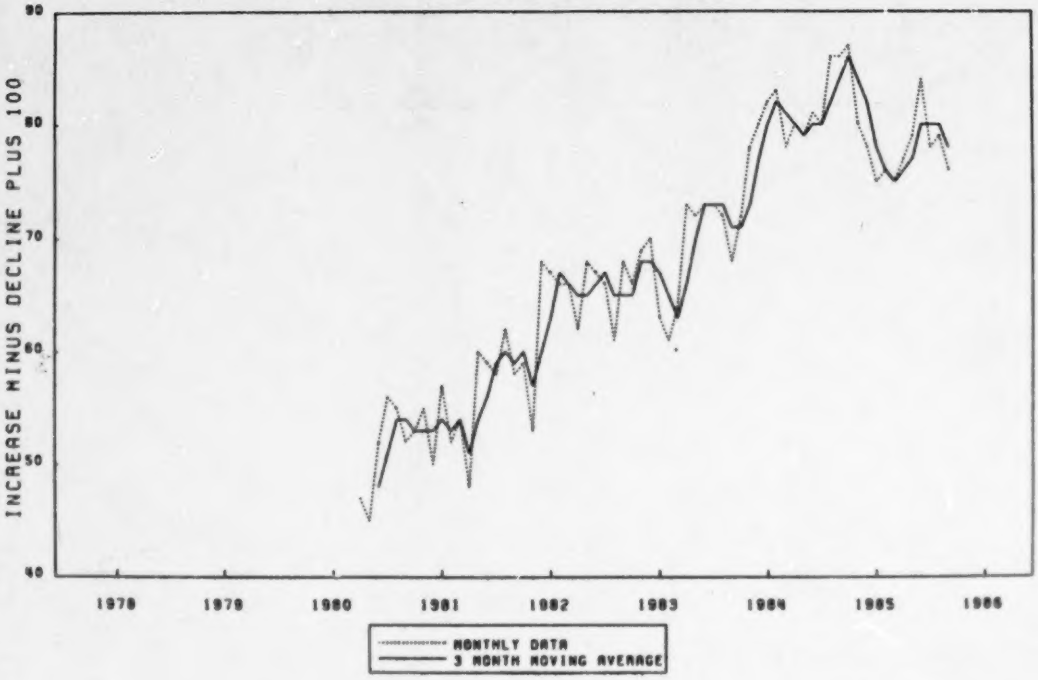


CHART 11 - HISTORICAL SERIES
TREND IN INCOME AND PRICE COMPARISON

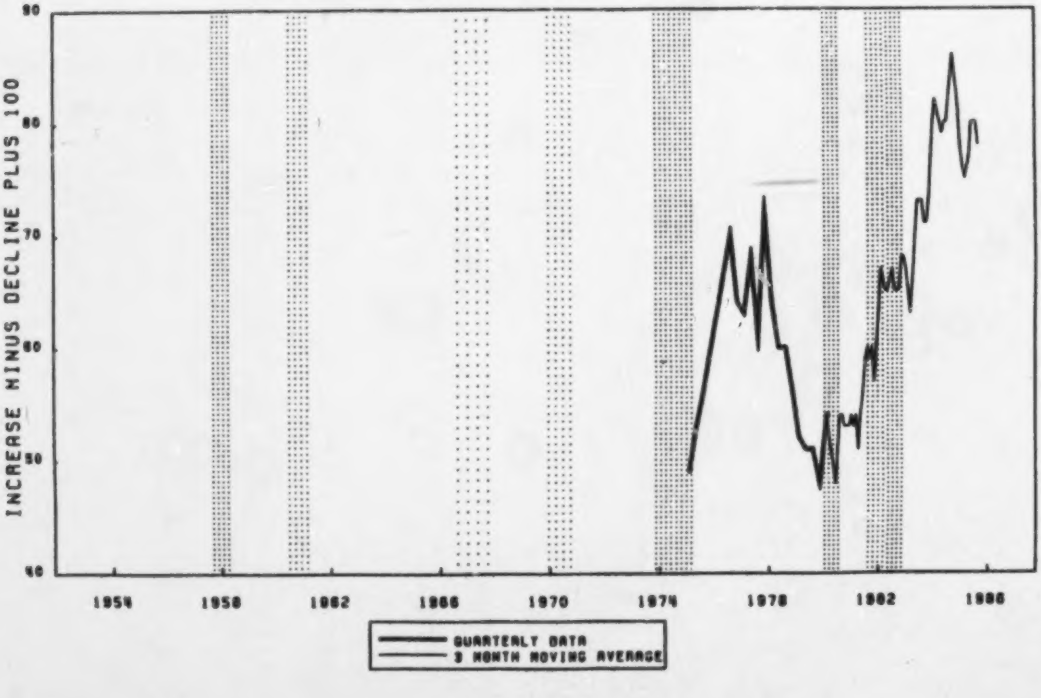


TABLE 11

TREND IN FAMILY INCOME AND PRICES COMPARISONS

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
REAL INCOME PROGRESS:													
Continuous increase (a)	12%	14%	12%	10%	8%	10%	9%	11%	12%	9%	8%	10%	11%
Intermittent increase (b)	16	14	14	12	13	14	14	11	13	17	14	14	11
Remain unchanged (c)	22	20	19	23	24	20	23	22	20	22	24	20	21
Intermittent decline (d)	20	18	22	22	23	19	24	20	18	20	21	18	20
Continuous decline (e)	22	23	24	22	23	29	24	25	28	22	23	27	26
Mixed change (f)	5	7	6	8	6	6	4	7	7	6	7	8	7
DK,NA	3	4	3	3	3	2	2	4	2	4	3	3	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART 12 - RECENT CHANGES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

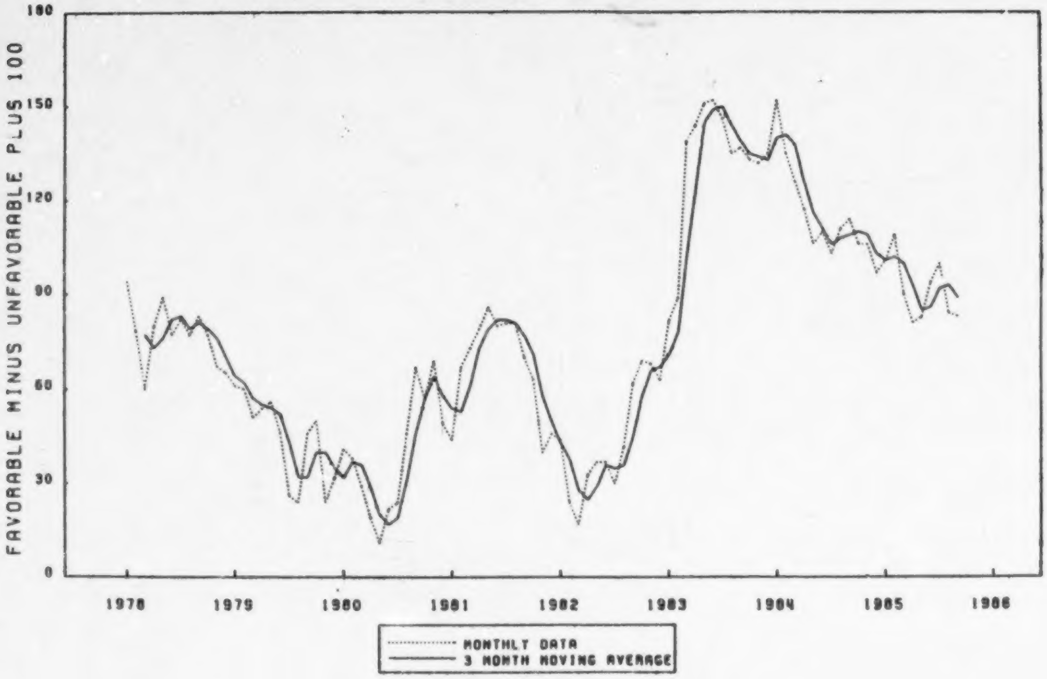


CHART 12 - HISTORICAL SERIES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

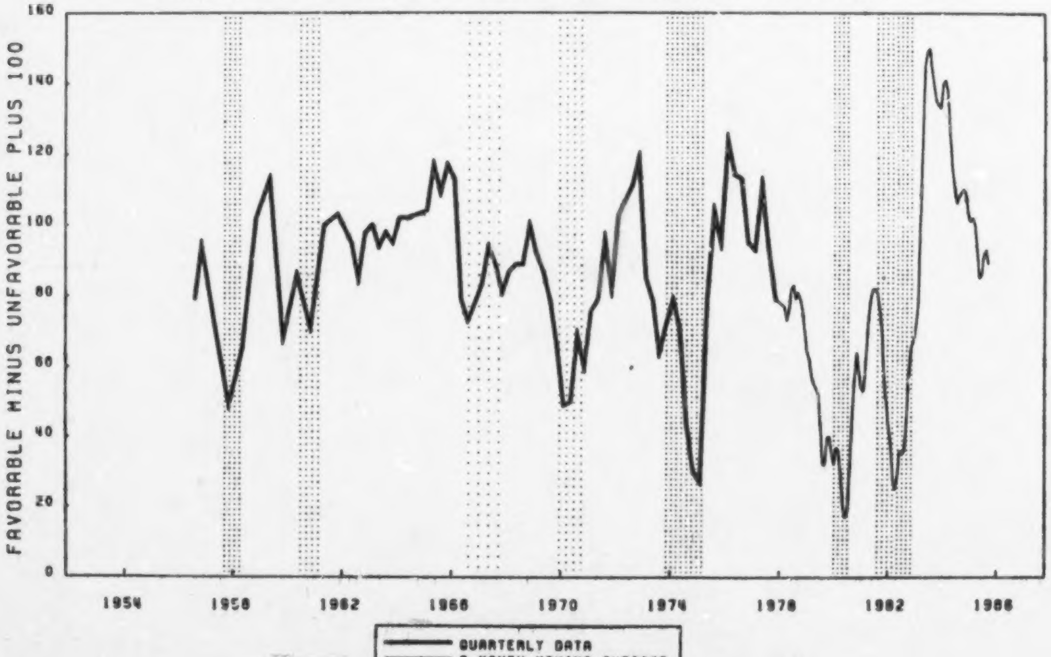


TABLE 12

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
FAVORABLE NEWS	52%	44%	41%	39%	43%	50%	35%	30%	30%	37%	40%	30%	31%
UNFAVORABLE NEWS	38	38	35	42	42	41	45	49	47	43	40	46	48
NO MENTIONS	41	44	49	46	44	41	48	49	48	50	46	49	47

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

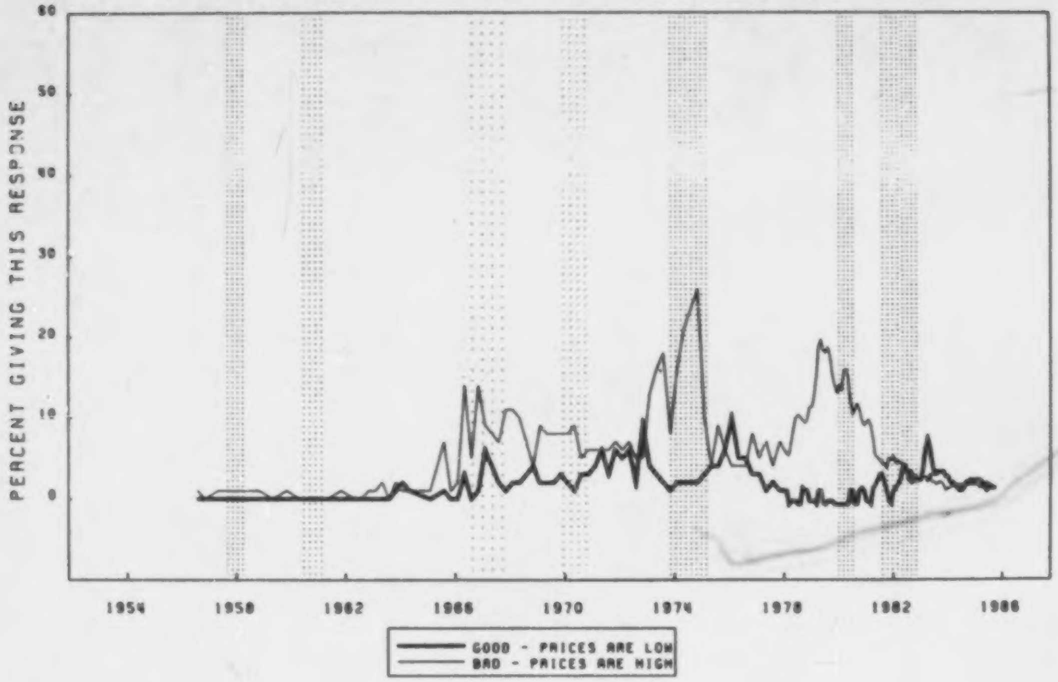


CHART 13B - HISTORICAL SERIES
TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

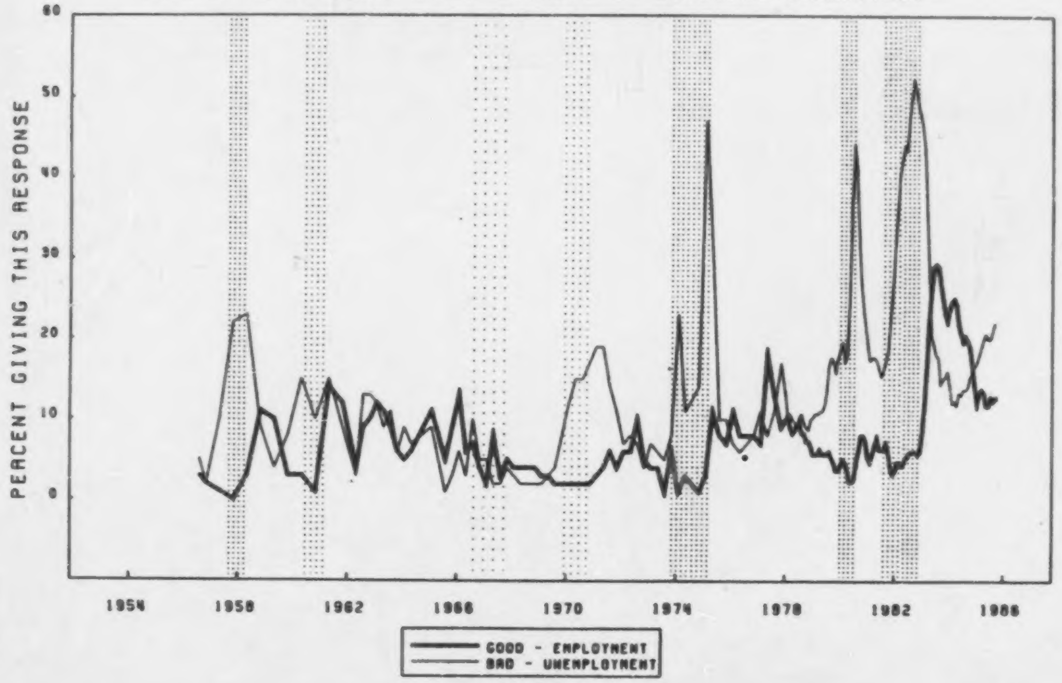


TABLE 13

SELECTED ITEMS OF NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
FAVORABLE NEWS:													
Government; elections	3%	1%	2%	3%	4%	3%	2%	1%	2%	5%	2%	1%	1%
Employment	19	18	13	11	12	17	12	11	12	12	14	11	13
Consumer demand high	7	5	4	5	5	5	5	3	3	4	3	2	4
Prices are low	3	1	3	2	2	3	2	1	1	1	2	1	1
Credit is easy	3	4	8	9	10	9	5	4	3	7	10	8	6
UNFAVORABLE NEWS:													
Government; elections	4	3	3	6	5	6	5	5	4	6	4	4	5
Unemployment	14	17	16	17	18	19	20	21	21	18	21	24	21
Consumer demand low	2	1	2	3	3	3	2	3	3	3	2	3	2
Prices are high	2	1	2	2	1	2	1	2	2	2	1	2	1
Credit is tight	6	5	3	2	2	1	2	2	2	1	1	1	1
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

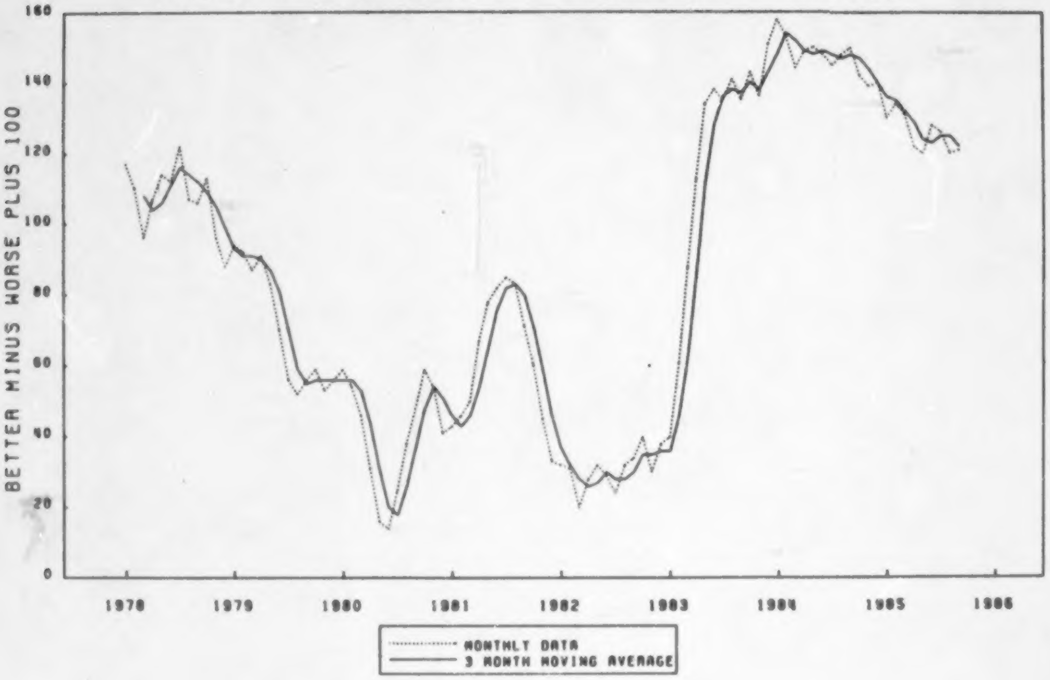


CHART 14 - HISTORICAL SERIES
CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

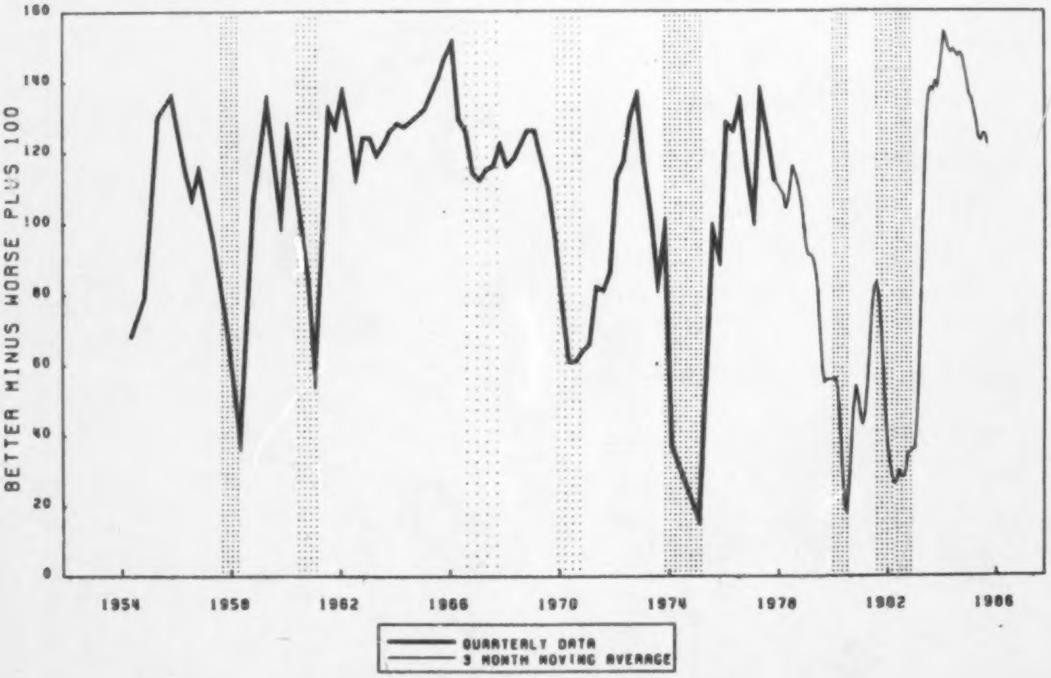


TABLE 14

CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
BETTER NOW	68%	65%	63%	63%	57%	60%	57%	51%	53%	56%	56%	51%	52%
SAME	12	10	12	13	14	12	15	17	13	14	13	16	14
WORSE NOW	18	23	24	23	27	26	26	29	33	28	30	31	31
DK,NA	2	2	1	1	2	2	2	3	1	2	1	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

CHART 15 - RECENT CHANGES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

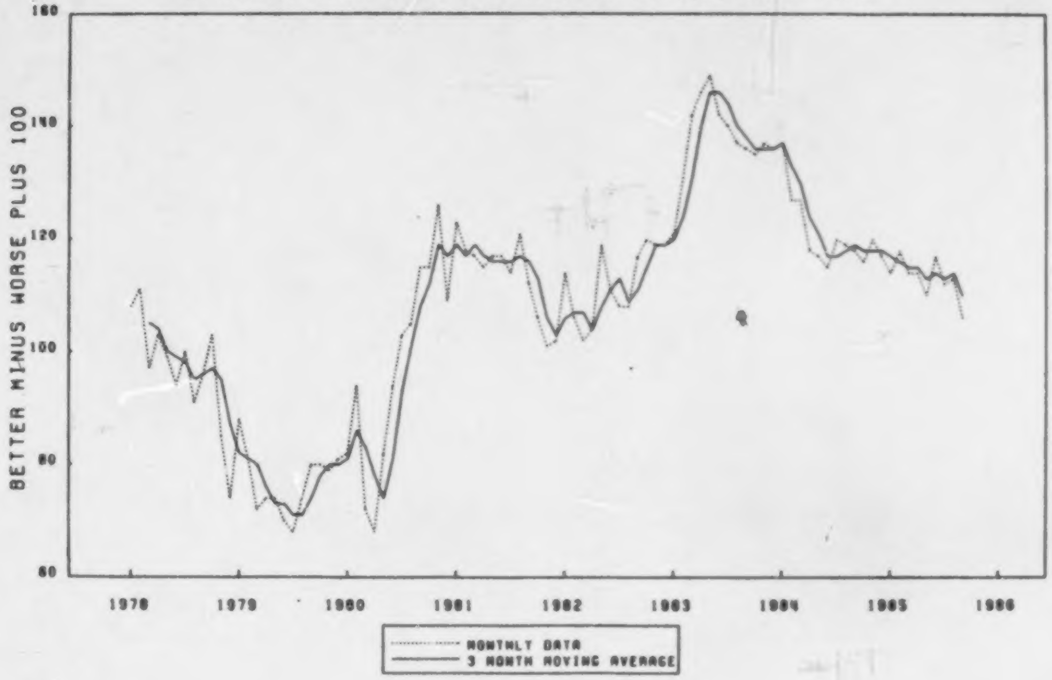


CHART 15 - HISTORICAL SERIES
EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

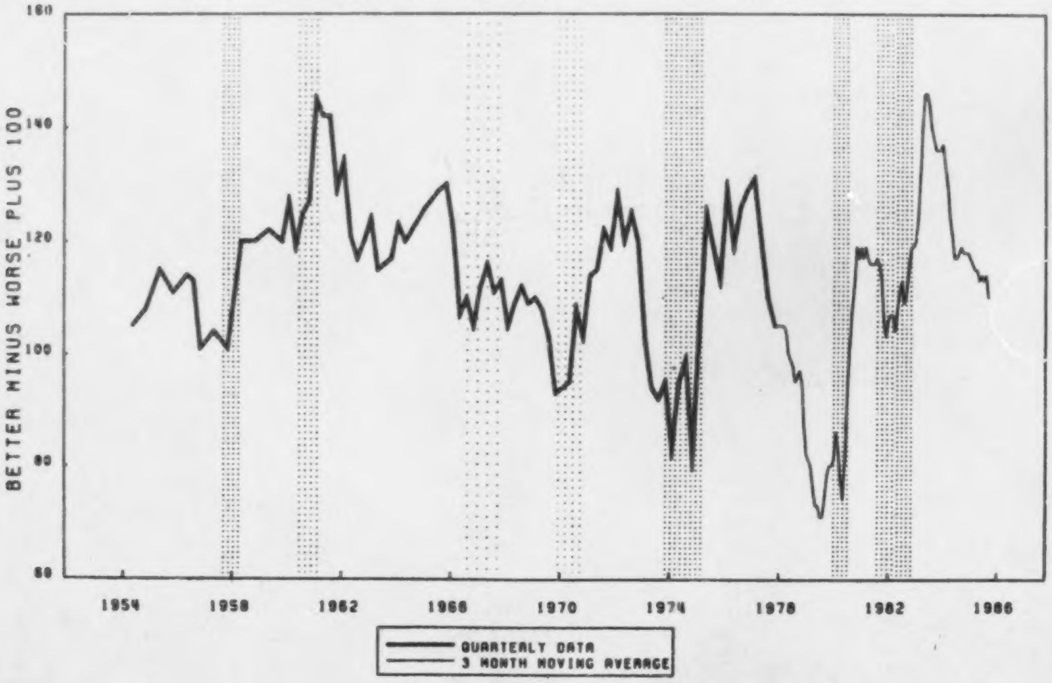


TABLE 15

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
BETTER	33%	32%	35%	33%	29%	33%	29%	29%	27%	29%	26%	27%	23%
SAME	48	49	48	47	55	50	53	53	54	57	57	57	58
WORSE	15	16	15	16	15	15	15	15	17	12	14	14	17
DK,NA	4	3	2	4	1	2	3	3	2	2	3	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

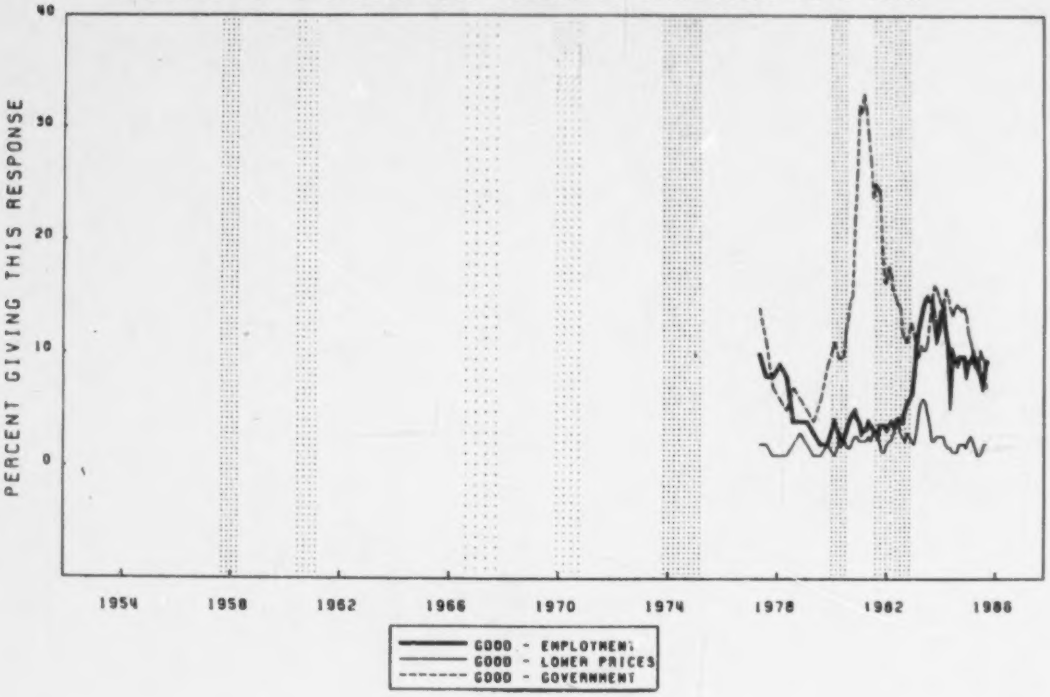


CHART 16B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

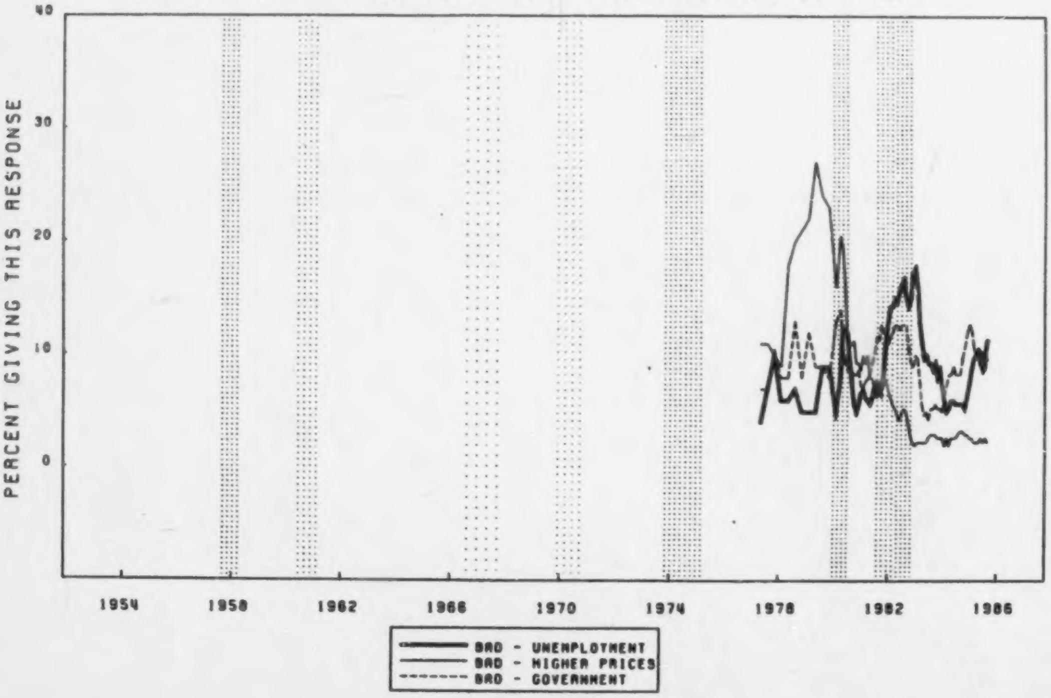


TABLE 16

REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
FAVORABLE REASONS:													
Government; elections	14%	14%	14%	12%	9%	12%	8%	9%	8%	14%	7%	7%	6%
Employment	12	9	8	8	12	8	10	9	9	7	6	12	10
Higher consumer demand	2	2	5	4	4	4	5	5	4	5	2	3	4
Lower prices	3	1	2	2	3	3	1	1	1	1	2	3	1
Easier credit	4	3	5	6	4	4	4	3	2	6	5	6	3
UNFAVORABLE REASONS:													
Government; elections	11	9	12	15	11	11	10	9	13	9	9	8	12
Unemployment	5	6	5	8	9	9	11	10	10	8	8	13	13
Lower consumer demand	2	2	3	4	2	2	4	4	4	2	2	2	3
Higher prices	3	3	3	3	2	3	2	2	3	3	1	4	2
Tighter credit	4	4	3	3	4	3	2	2	1	1	1	2	1
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

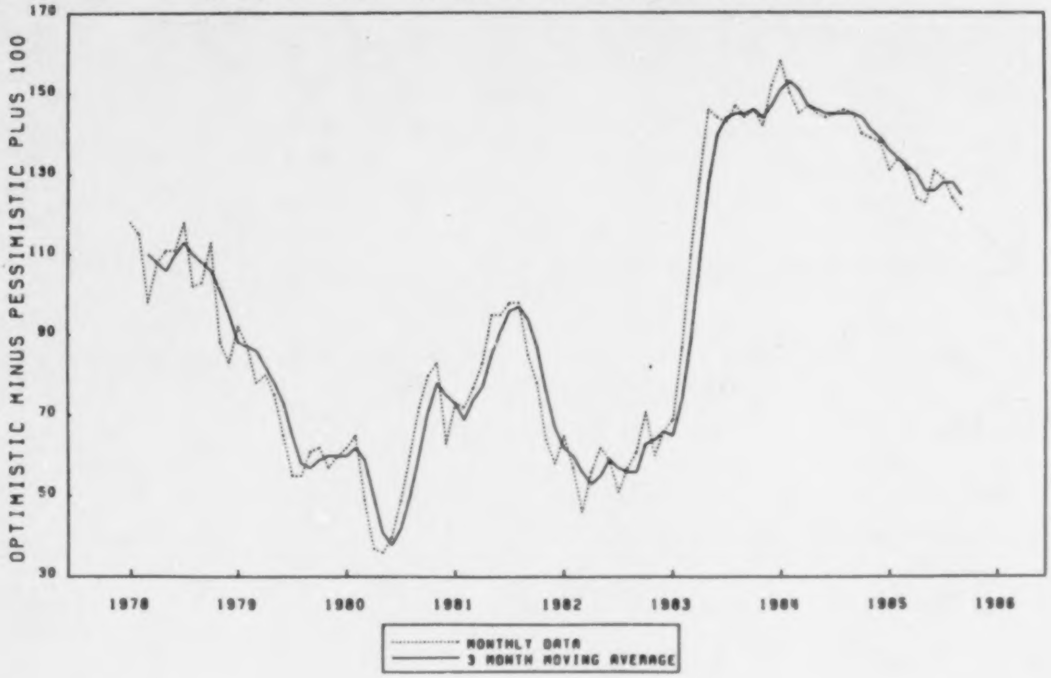


CHART 17 - HISTORICAL SERIES
TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

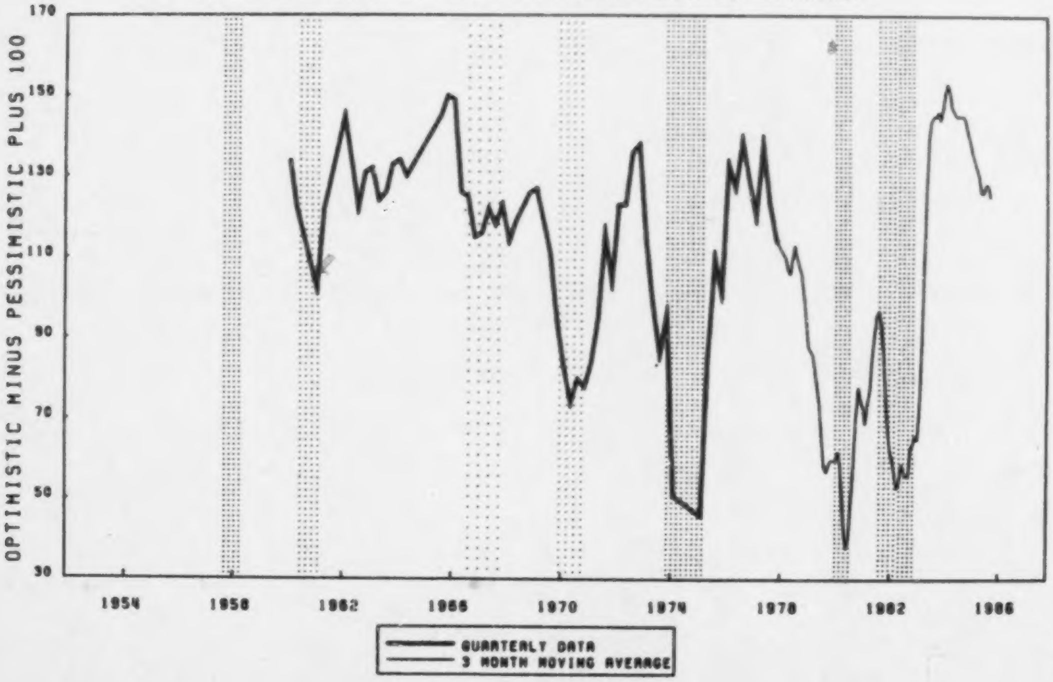


TABLE 17

TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
TREND:													
Continuous increase (a)	27%	24%	28%	27%	21%	26%	22%	21%	18%	22%	19%	19%	16%
Intermittent increase (b)	35	36	32	32	36	31	33	29	34	34	36	33	34
Remain unchanged (c)	6	5	6	7	8	7	9	11	8	9	9	10	9
Intermittent decline (d)	11	12	14	13	17	15	15	18	18	17	16	18	19
Continuous decline (e)	6	8	7	8	9	8	9	8	11	8	10	10	10
Mixed change (f)	10	10	9	9	7	9	8	8	8	6	6	7	8
DK,NA	5	5	4	4	2	4	4	5	3	4	4	3	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES

BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

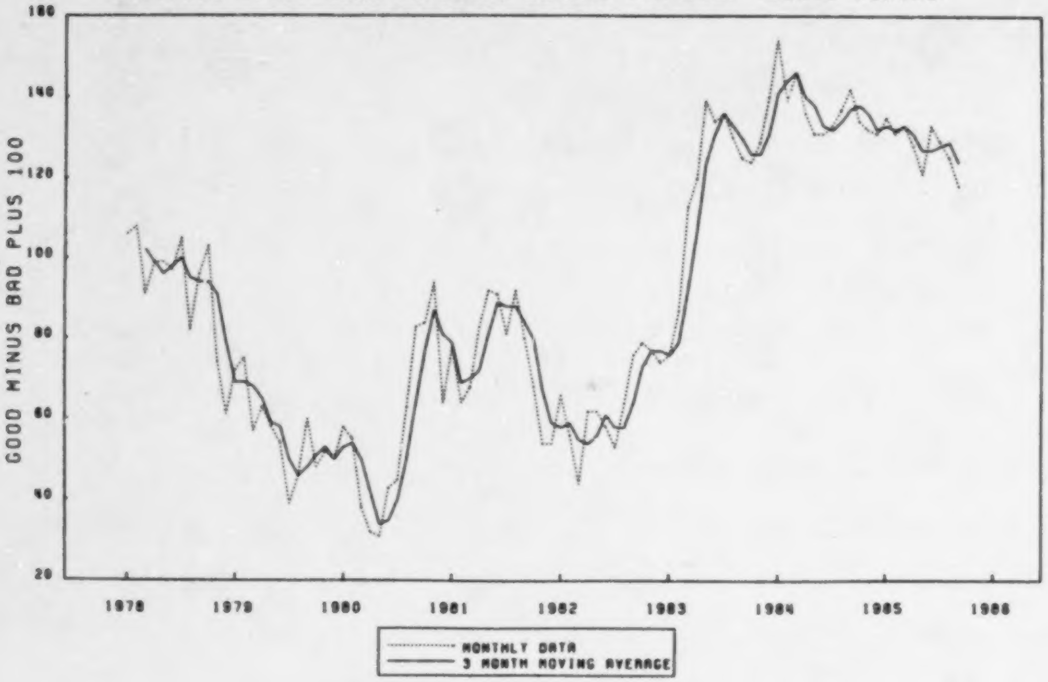


CHART 18 - HISTORICAL SERIES

BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

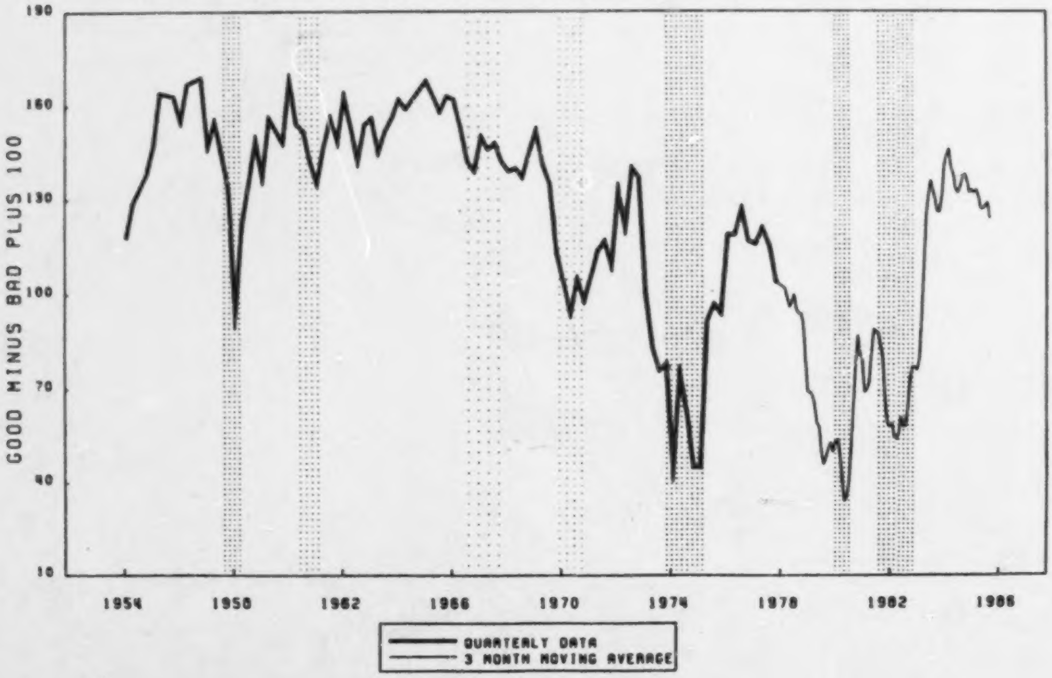


TABLE 18

BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
GOOD TIMES	66%	60%	59%	59%	63%	62%	62%	58%	55%	59%	58%	57%	52%
UNCERTAIN; GOOD & BAD	3	4	3	3	4	2	2	3	1	3	3	4	4
BAD TIMES	24	26	27	28	28	31	29	30	34	26	29	32	34
DON'T KNOW	6	6	7	7	4	3	5	6	6	5	7	4	8
NOT ASCERTAINED	1	4	4	3	1	2	2	3	4	7	3	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

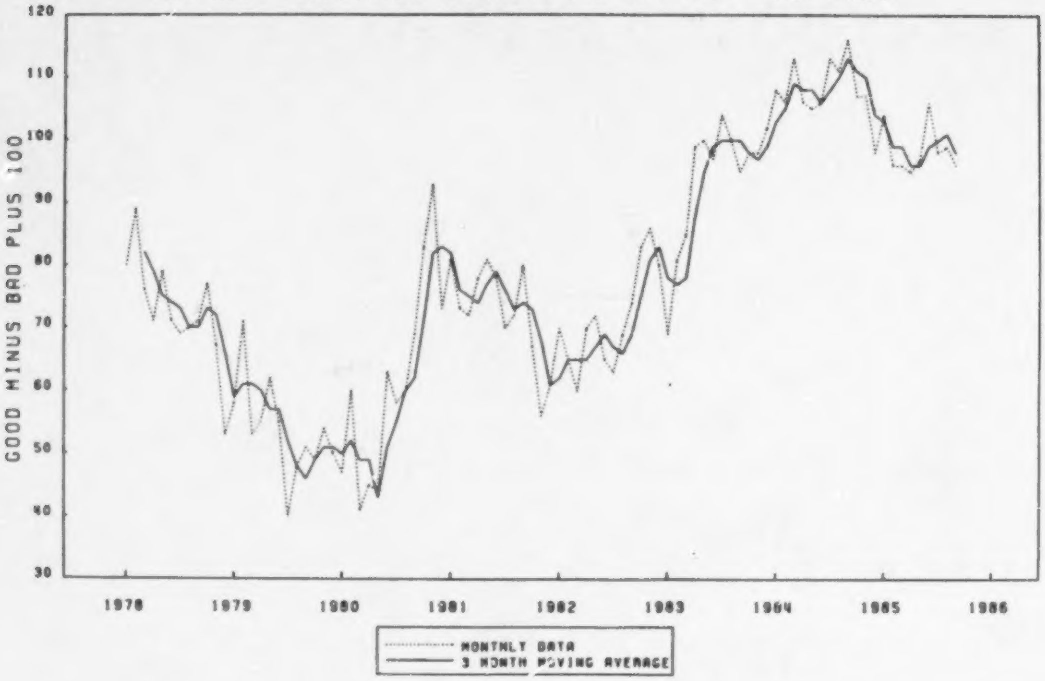


CHART 19 - HISTORICAL SERIES
BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

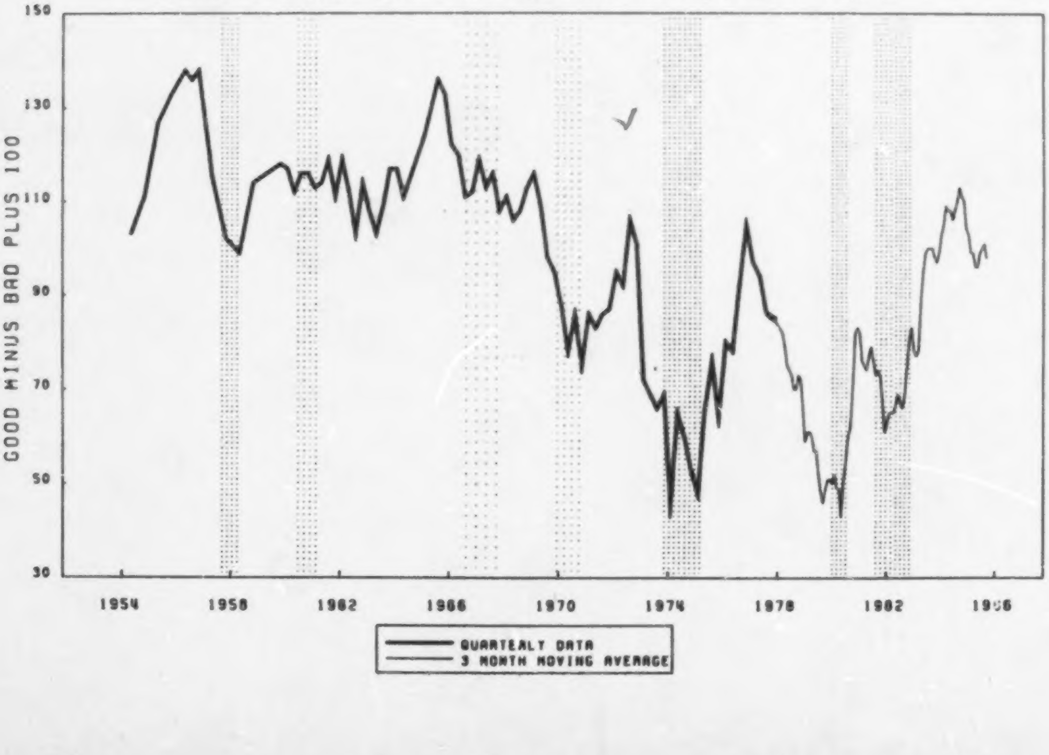


TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
GOOD TIMES	47%	43%	42%	39%	43%	41%	40%	39%	40%	43%	41%	41%	38%
UNCERTAIN; GOOD & BAD	17	17	17	15	15	11	13	14	14	17	13	14	16
BAD TIMES	31	36	35	41	39	45	44	44	43	37	43	42	42
NOT ASCERTAINED	5	4	6	5	3	3	3	3	3	3	3	3	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

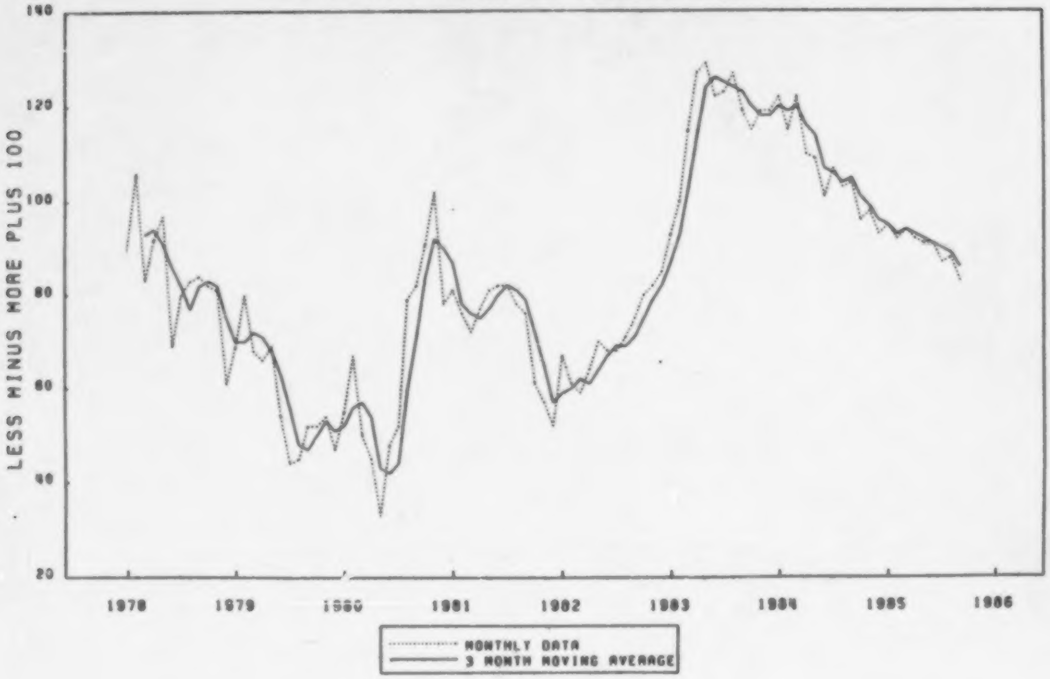


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

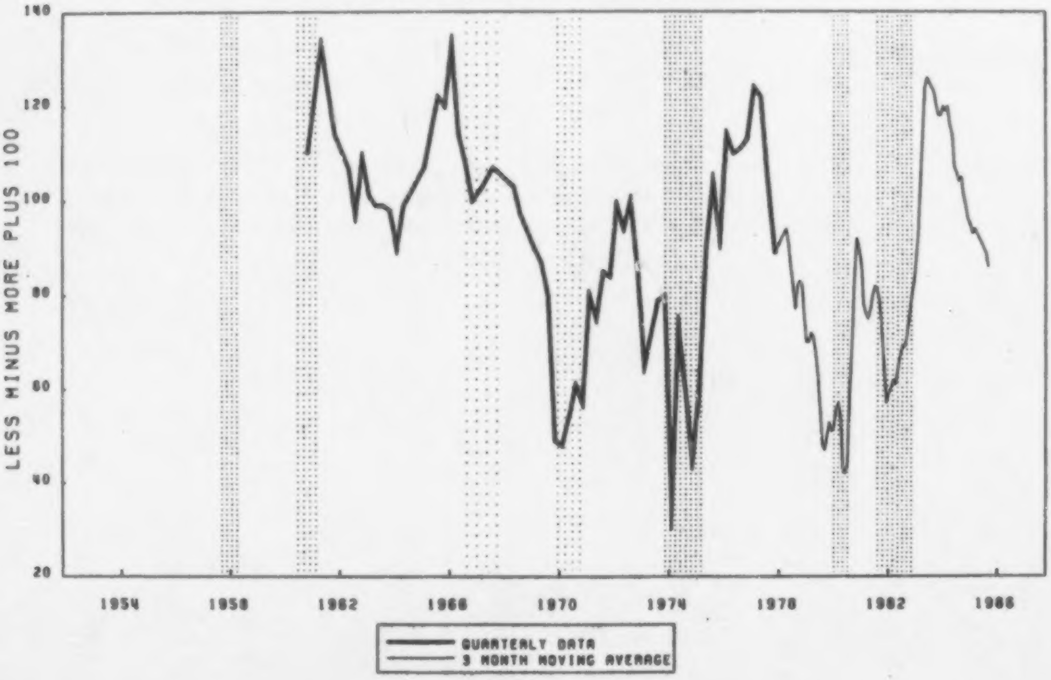


TABLE 20

EXPECTED CHANGE IN UNEMPLOYMENT

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
LESS	26%	20%	22%	21%	20%	20%	23%	20%	19%	16%	14%	17%	14%
SAME	50	54	52	50	54	50	47	50	52	58	58	52	53
MORE	22	24	24	28	25	28	29	28	28	25	27	29	31
DK,NA	2	2	2	1	1	2	1	2	1	1	1	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

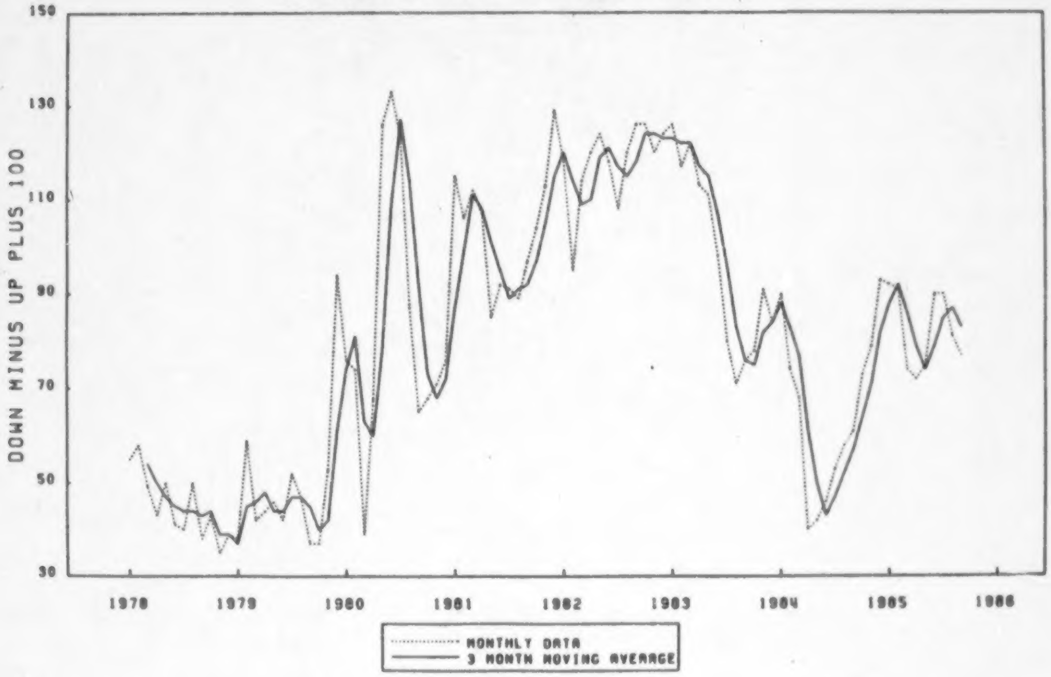


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

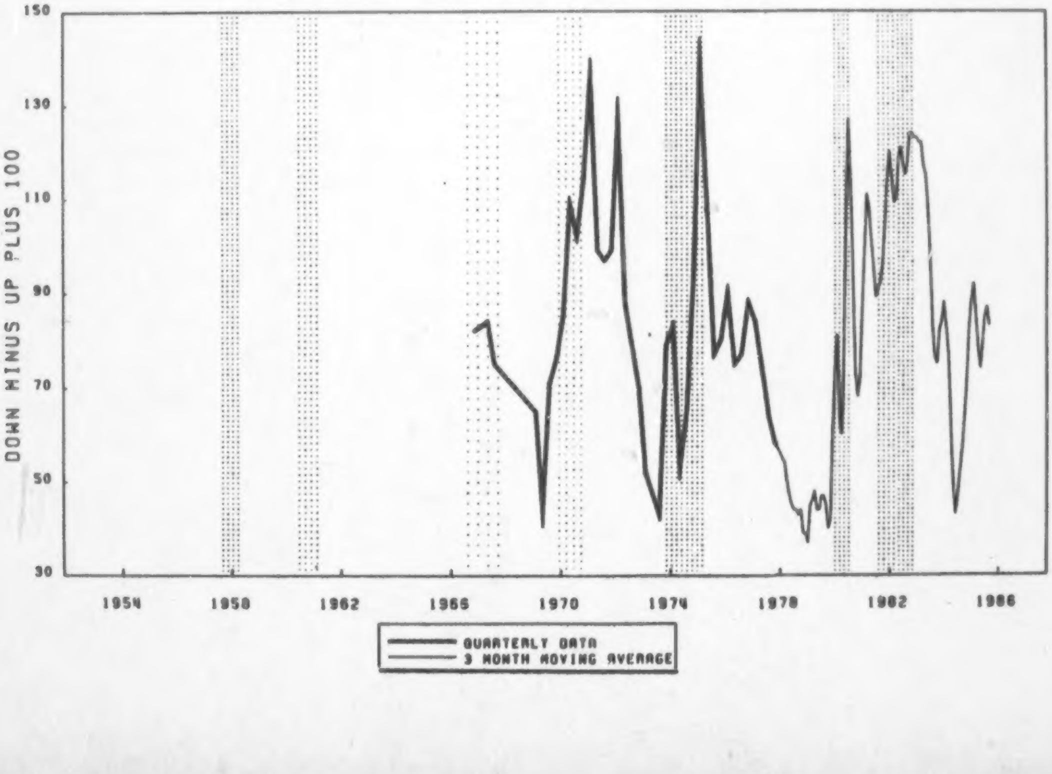


TABLE 21

EXPECTED CHANGE IN INTEREST RATES

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
GO UP	52%	45%	44%	37%	36%	35%	45%	47%	44%	36%	35%	41%	43%
STAY THE SAME	32	33	31	30	33	37	32	31	34	36	38	35	34
GO DOWN	13	18	23	30	28	26	19	19	19	26	25	22	20
DK,NA	3	4	2	3	3	2	4	3	3	2	2	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES

CHANGE IN PRICES DURING THE LAST 12 MONTHS

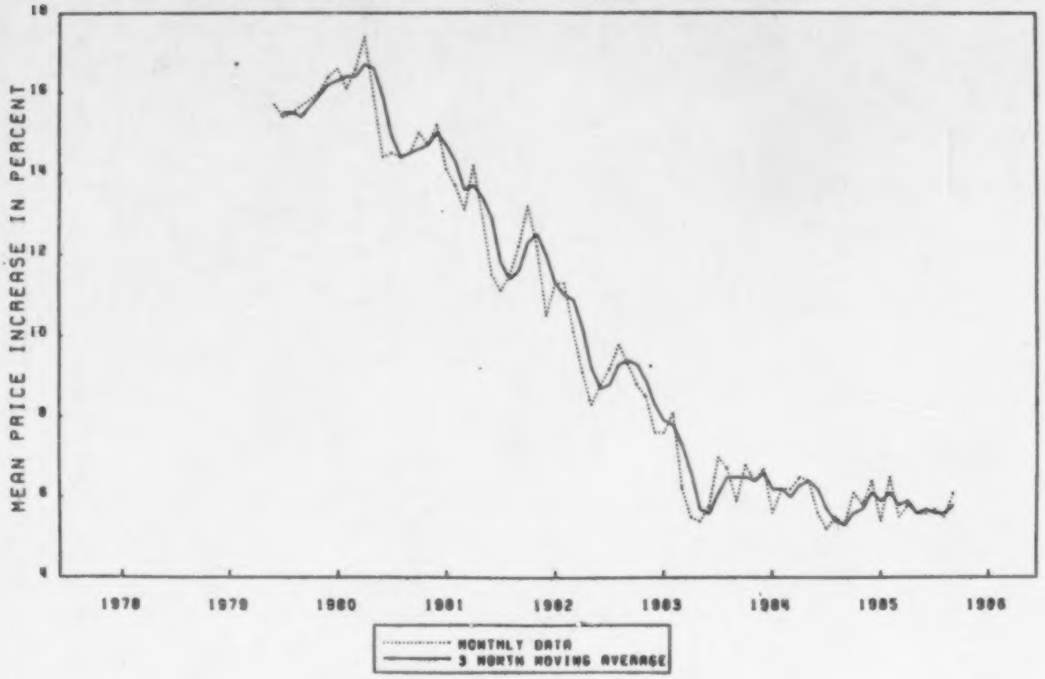


CHART 22 - HISTORICAL SERIES

CHANGE IN PRICES DURING THE LAST 12 MONTHS

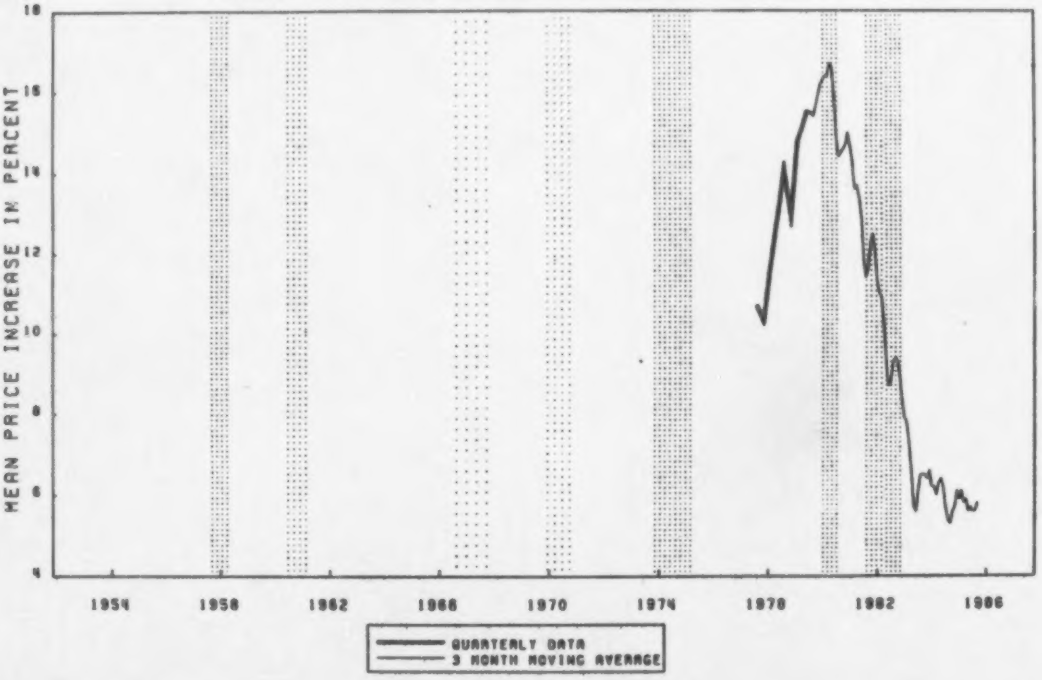


TABLE 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
SAME OR DOWN	29%	28%	27%	24%	25%	25%	28%	24%	23%	24%	25%	23%	26%
GONE UP BY:													
1-2%	9	9	11	9	11	11	11	10	13	12	13	10	12
3-4%	16	15	15	14	17	16	18	17	18	18	16	19	18
5%	16	13	14	18	17	13	14	16	16	13	16	19	13
6-9%	7	7	5	6	7	8	5	8	7	9	6	5	4
10-14%	9	11	11	11	10	11	10	13	9	11	11	11	12
15% or more	8	11	10	10	8	11	9	8	9	9	7	8	9
DK how much up	6	5	6	7	5	4	5	4	4	3	5	4	5
DK,NA	*	1	1	1	*	1	*	*	1	1	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	5.3	6.1	5.8	6.4	5.4	6.5	5.5	5.8	5.6	5.6	5.7	5.5	6.1
VARIANCE	63	84	76	86	66	93	72	64	72	61	82	58	92
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

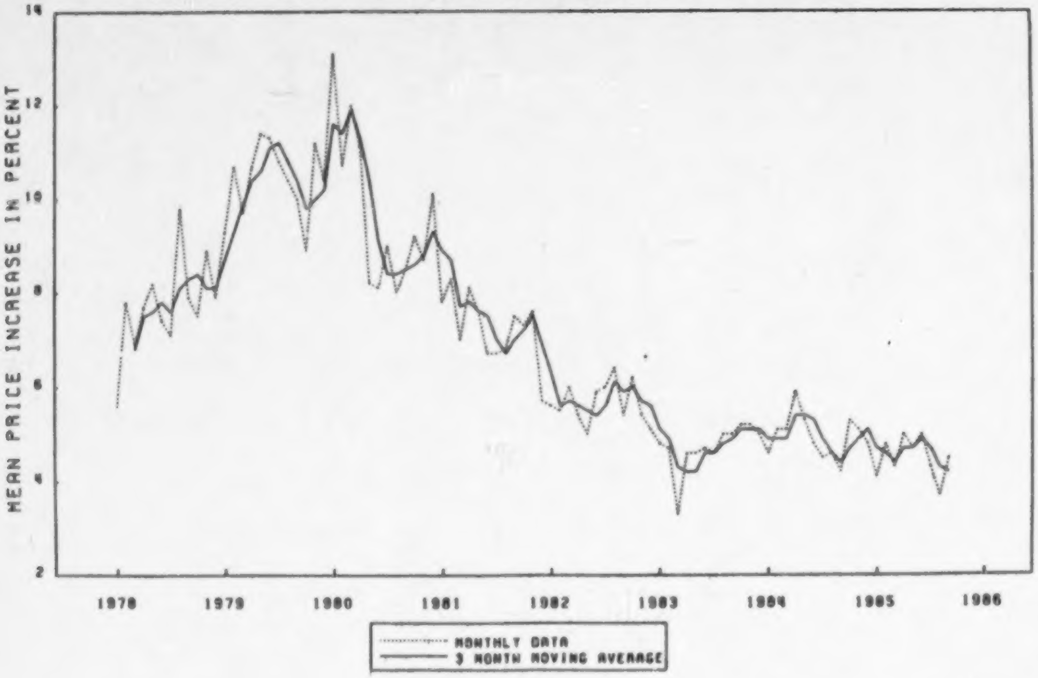


CHART 23 - RECENT CHANGES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

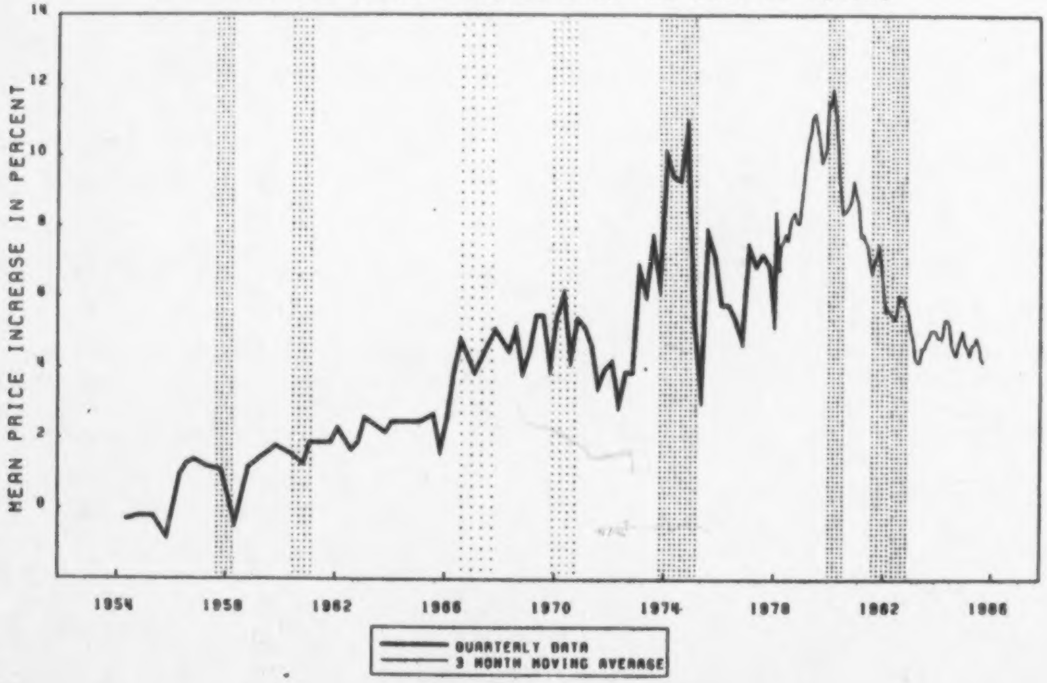


CHART 23 - HISTORICAL SERIES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

TABLE 23

EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
SAME OR DOWN	24%	22%	23%	25%	26%	25%	26%	22%	20%	19%	24%	26%	26%
WILL GO UP BY:													
1-2%	16	13	14	13	16	14	15	13	17	16	19	18	18
3-4%	19	15	17	17	20	19	19	20	20	21	20	21	17
5%	14	18	18	16	15	15	15	16	20	19	14	16	14
6-9%	8	9	6	9	6	6	6	8	6	6	8	6	6
10-14%	8	10	9	9	7	10	9	11	7	9	6	6	9
15% or more	4	7	7	5	4	6	6	6	6	6	4	4	5
DK how much up	4	4	4	4	4	4	4	3	2	2	4	2	3
DK,NA	3	2	2	2	2	1	*	1	2	2	1	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	4.2	5.3	5.1	4.8	4.1	4.8	4.3	5.0	4.7	5.0	4.3	3.7	4.5
VARIANCE	36	53	47	44	36	51	34	44	46	51	49	21	46
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

* : Less than half of one percent.

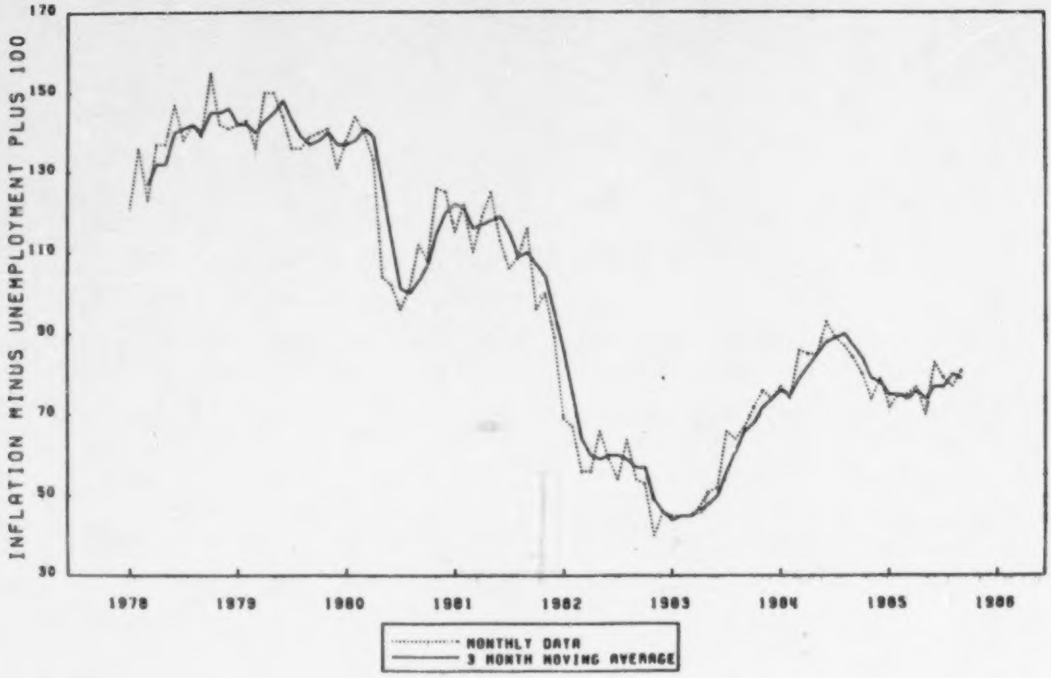


CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

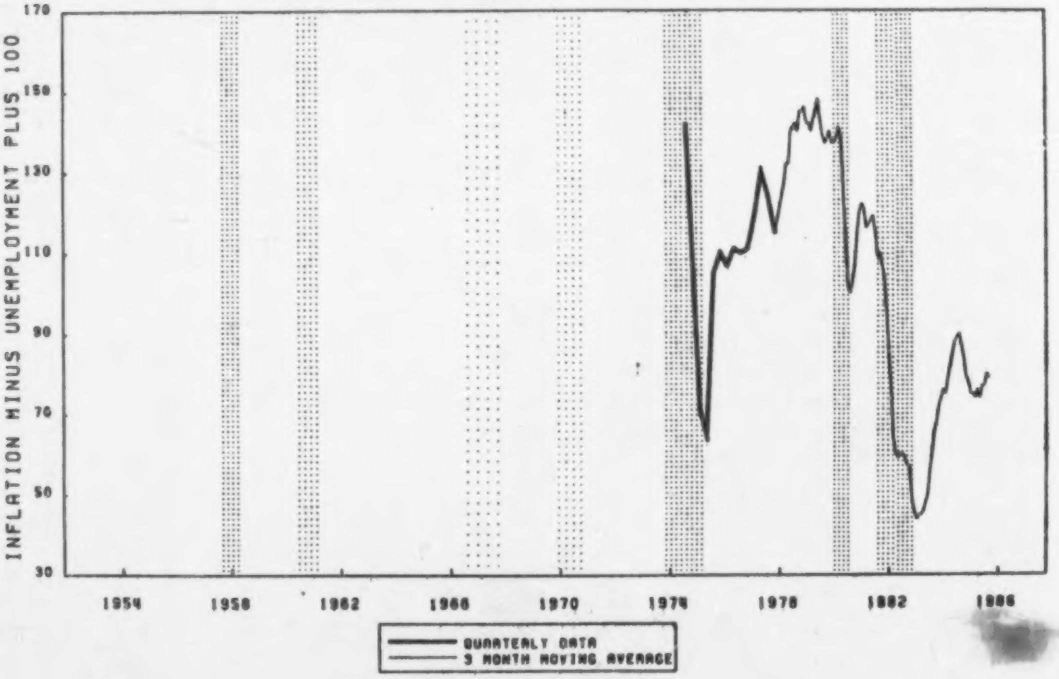


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

TABLE 24

UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
UNEMPLOYMENT	54%	55%	59%	56%	60%	58%	59%	57%	61%	55%	57%	57%	54%
BOTH EQUALLY SERIOUS	5	8	7	6	6	5	5	6	6	4	5	5	6
INFLATION	38	35	33	35	32	33	34	34	31	38	36	34	35
DK,NA	3	2	1	3	2	4	2	3	2	3	2	4	5
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

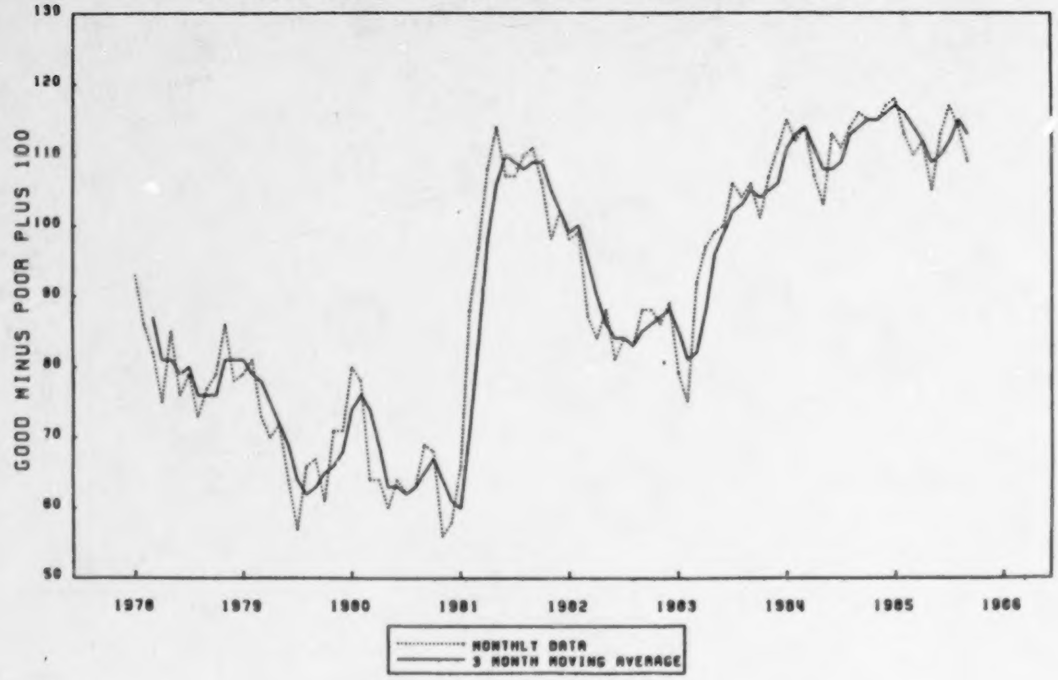


CHART 25 - HISTORICAL SERIES
OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

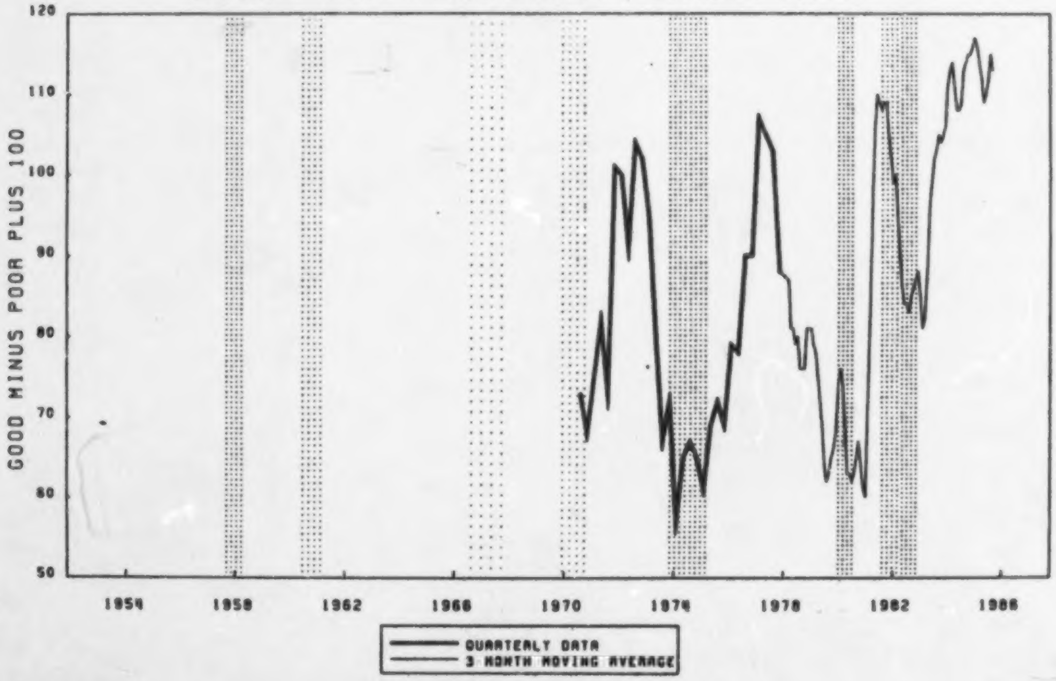


TABLE 25

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
A GOOD JOB	35%	36%	32%	33%	34%	33%	32%	30%	26%	29%	31%	29%	29%
ONLY FAIR	44	41	50	49	49	46	43	50	51	53	52	53	49
A POOR JOB	19	21	17	16	16	20	22	18	21	16	14	15	20
DK,NA	2	2	1	2	1	1	3	2	2	2	3	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

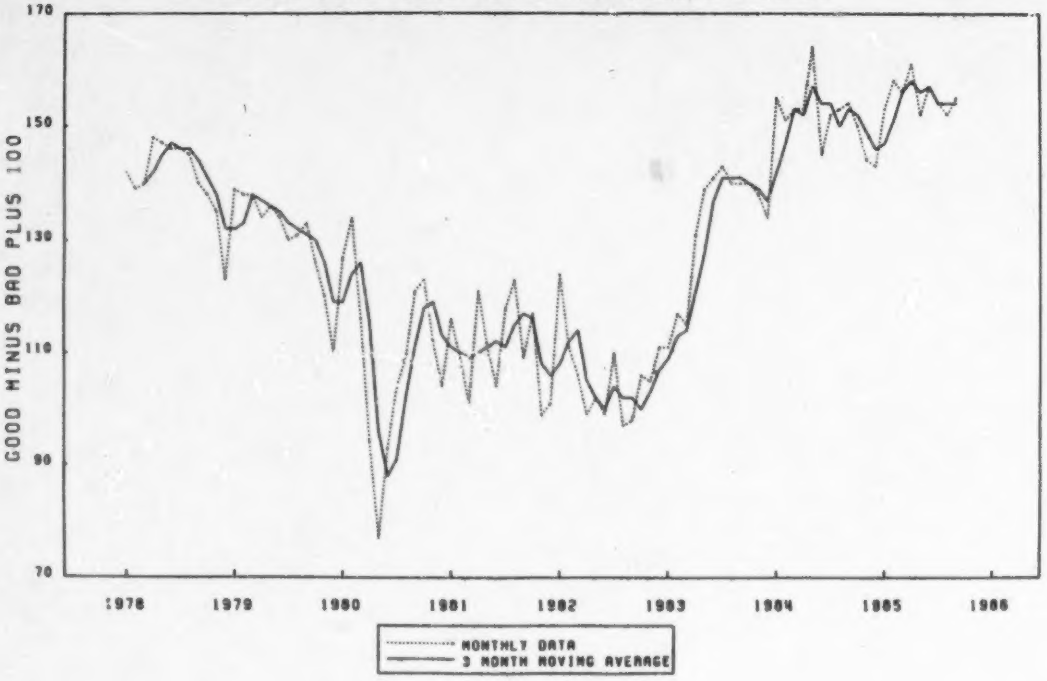


CHART 26 - HISTORICAL SERIES
BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

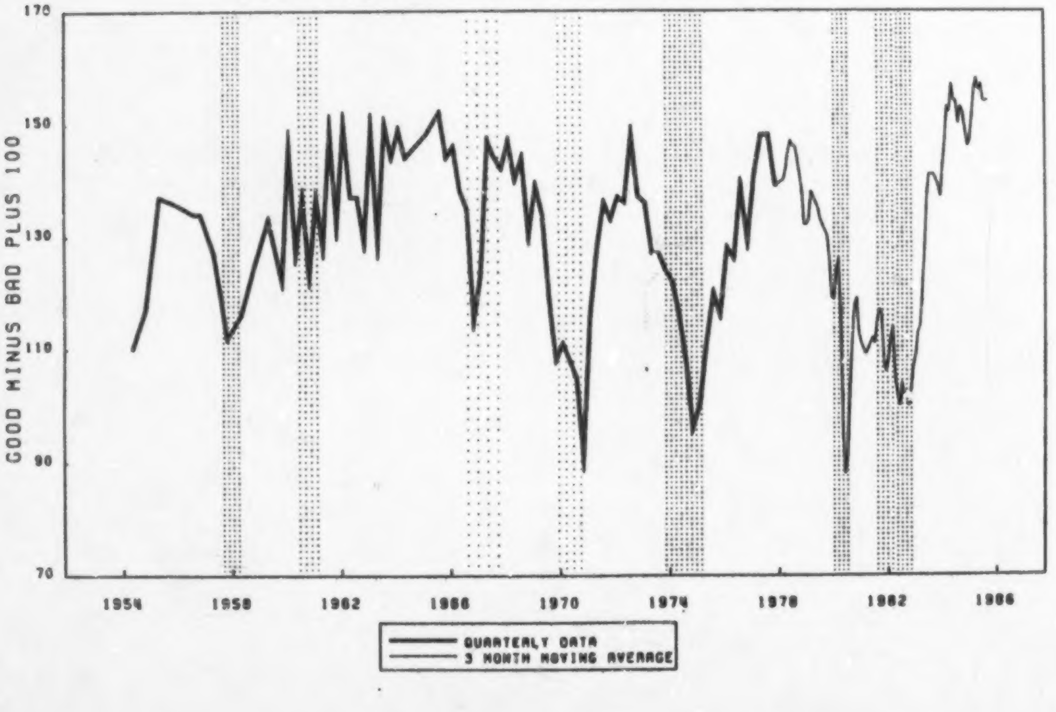


TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
GOOD TIME TO BUY	72%	70%	67%	67%	73%	75%	74%	77%	72%	74%	74%	69%	73%
UNCERTAIN, DEPENDS	10	10	10	9	7	8	8	7	8	9	6	14	9
BAD TIME TO BUY	18	20	23	24	20	17	18	16	20	17	20	17	18
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

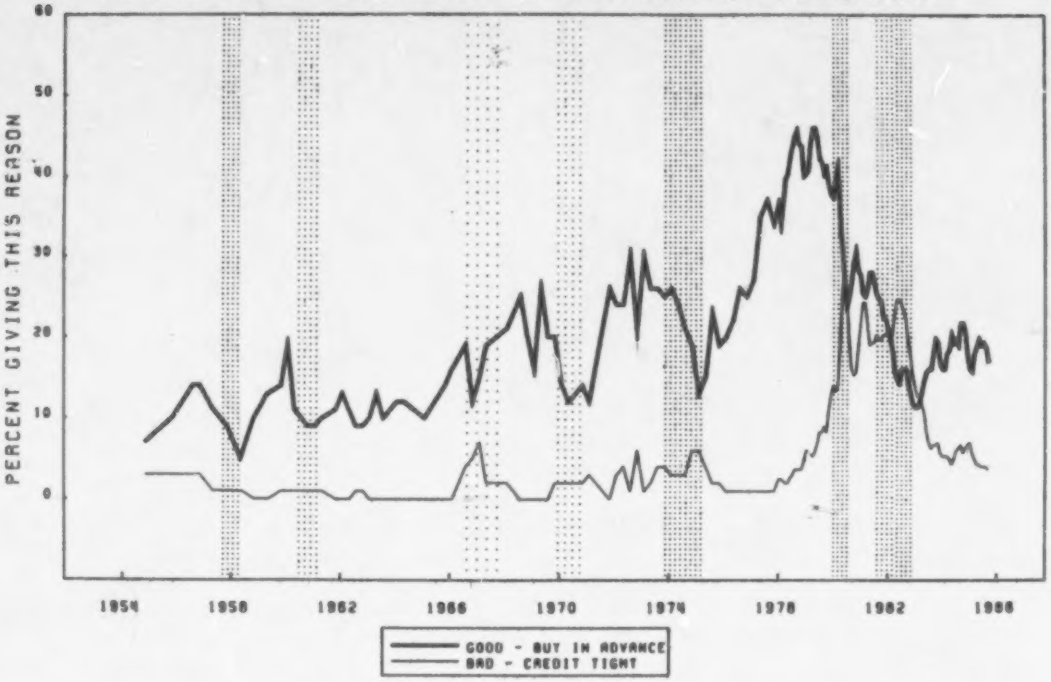


CHART 27B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

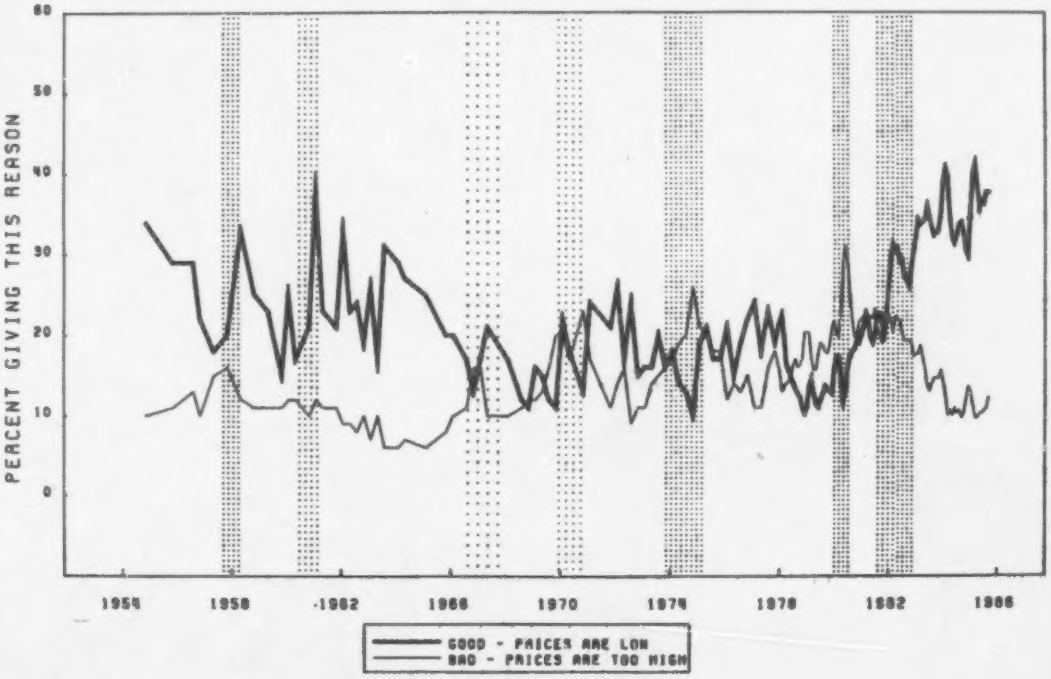


TABLE 27

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	34%	29%	28%	32%	45%	43%	36%	37%	34%	39%	36%	38%	39%
Prices won't come down; are going higher	24	21	17	15	16	16	22	18	19	20	19	17	15
Interest rates low; credit is easy	8	11	11	10	11	11	10	13	11	13	14	15	14
BAD TIME TO BUY:													
Prices are high	10	12	14	15	10	9	10	10	11	10	11	12	14
Interest rates are high; credit is tight	6	5	8	7	6	4	5	4	4	4	4	4	3
Lack of purchasing power	7	7	7	7	10	6	7	6	9	7	6	5	6

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

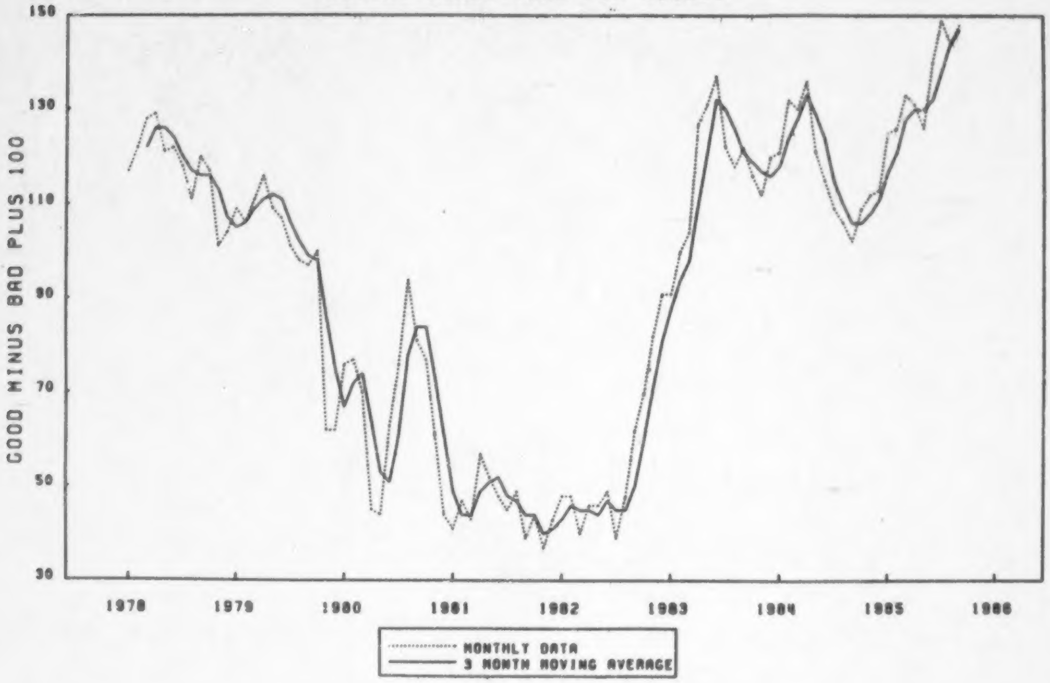


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

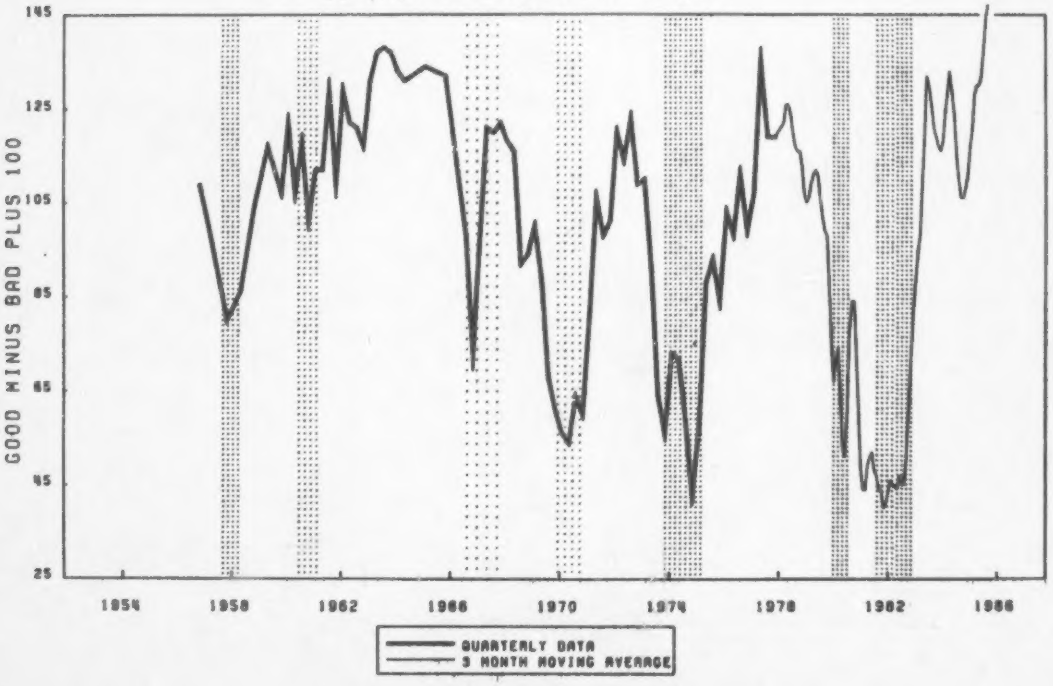


TABLE 28

BUYING CONDITIONS FOR HOUSES

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
GOOD TIME TO BUY	48%	52%	54%	54%	61%	61%	64%	64%	61%	67%	73%	69%	72%
UNCERTAIN, DEPENDS	6	5	4	5	3	4	5	3	4	6	3	6	4
BAD TIME TO BUY	46	43	42	41	36	35	31	33	35	27	24	25	24
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

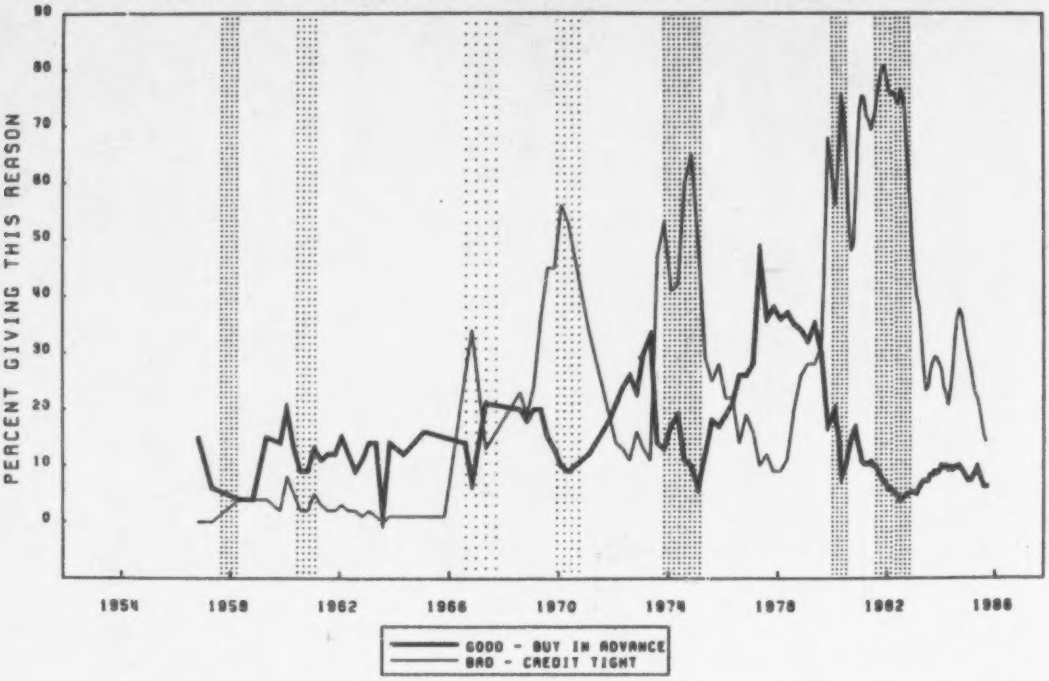


CHART 29B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

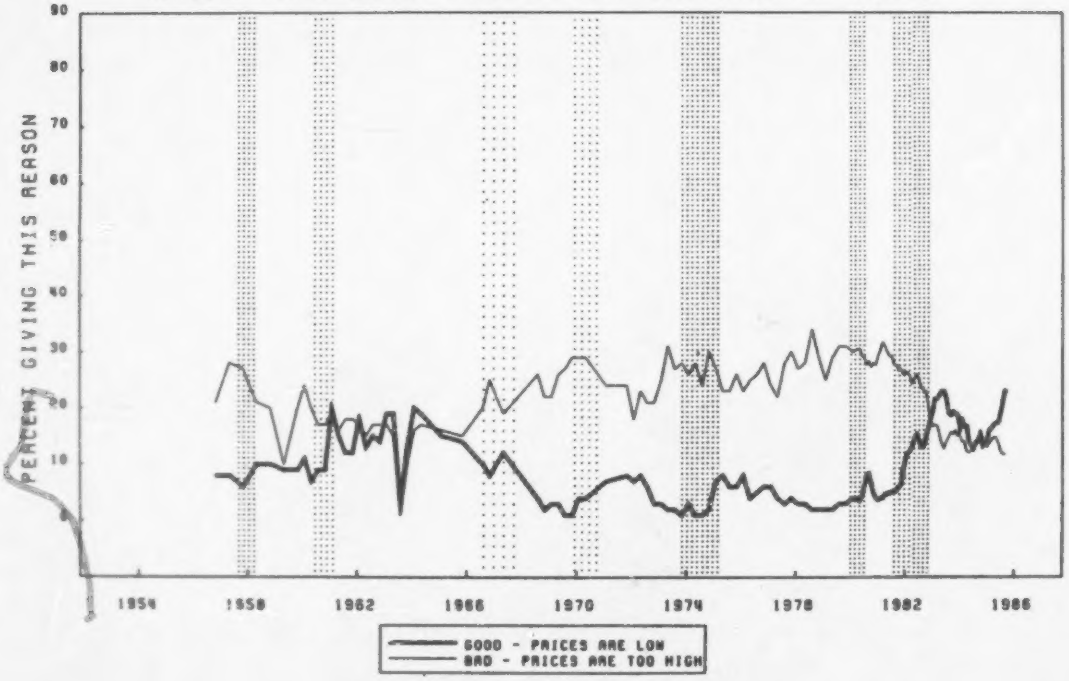


TABLE 29

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	14%	15%	11%	17%	15%	16%	18%	17%	17%	18%	22%	23%	24%
Prices won't come down; are going higher	10	9	7	8	7	7	10	9	10	7	5	7	7
Interest rates low; credit is easy	34	35	44	38	49	50	48	47	43	56	57	58	56
Good investment	7	5	7	5	6	6	7	6	6	6	5	7	4
BAD TIME TO BUY:													
Prices are high	16	16	12	13	14	14	15	15	14	12	11	12	12
Interest rates are high; credit is tight	37	33	31	30	27	25	22	21	23	17	13	16	14
Lack of purchasing power	11	10	13	13	12	11	9	12	16	9	11	9	9

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

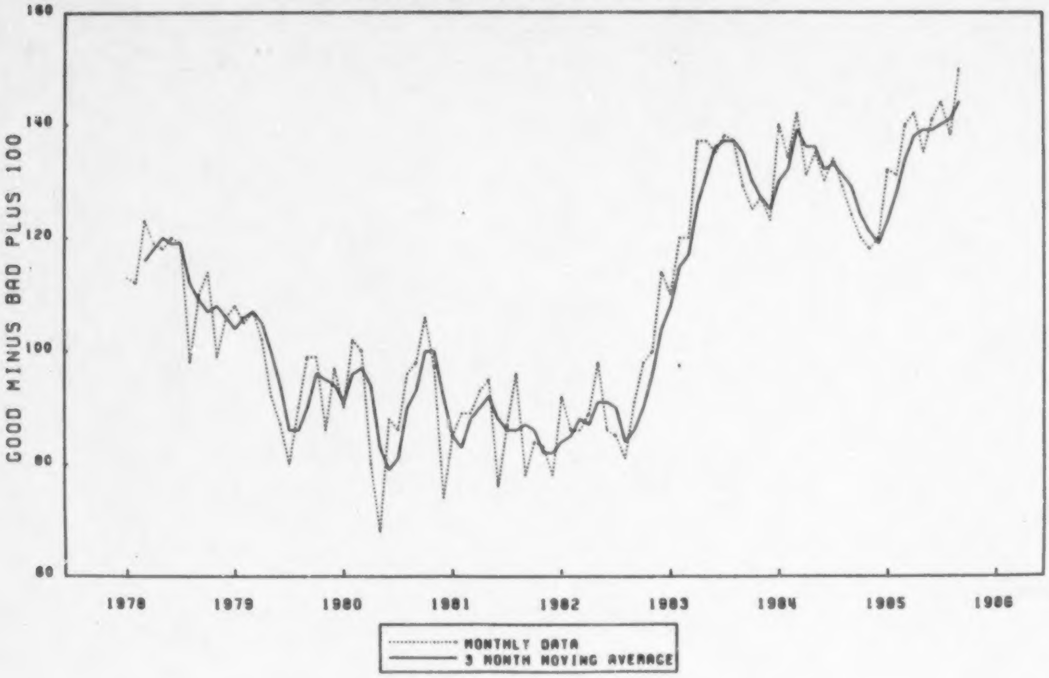


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

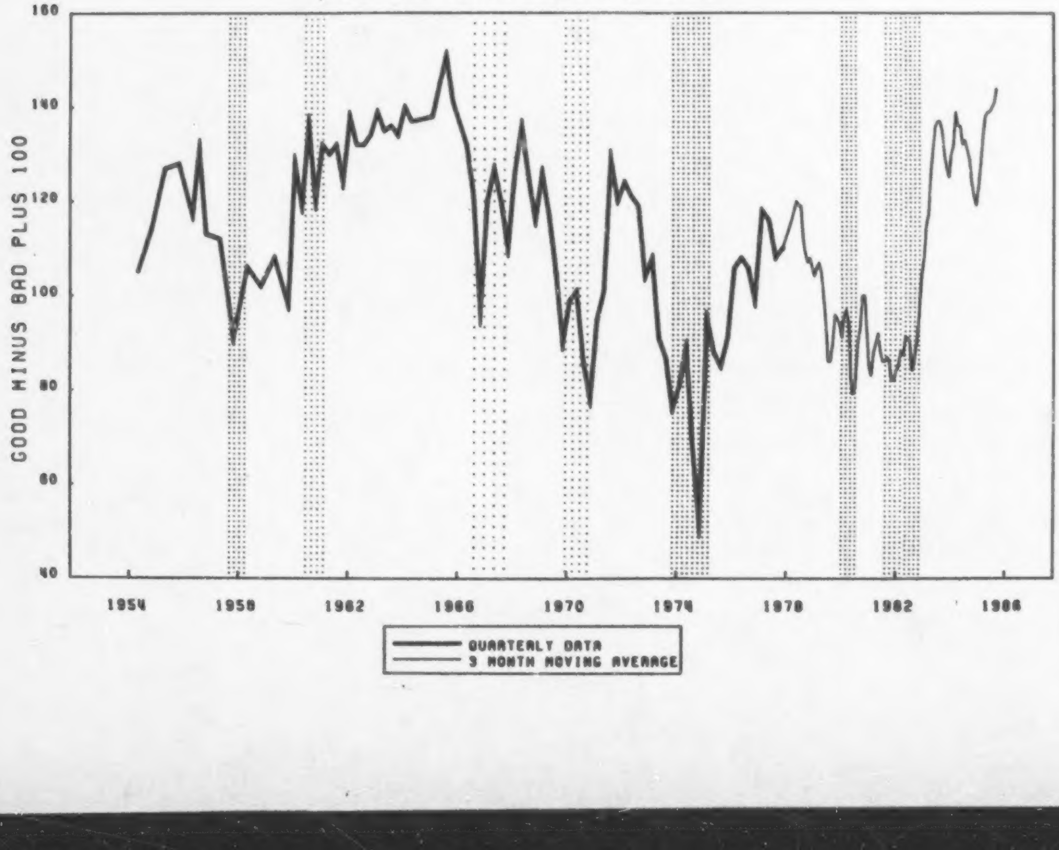


TABLE 30

BUYING CONDITIONS FOR CARS

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
GOOD TIME TO BUY	59%	54%	55%	55%	62%	61%	67%	68%	65%	67%	67%	64%	72%
UNCERTAIN; DEPENDS	6	12	8	10	8	9	6	6	5	7	10	10	6
BAD TIME TO BUY	35	34	37	35	30	30	27	26	30	26	23	26	22
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

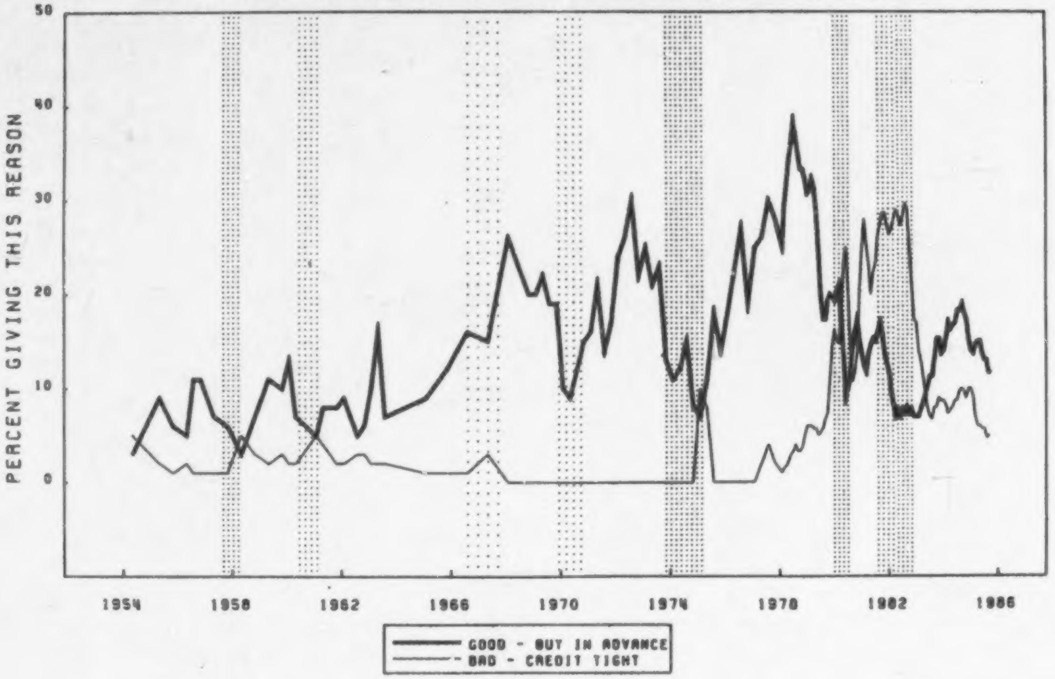


CHART 31B - HISTORICAL SERIES
REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

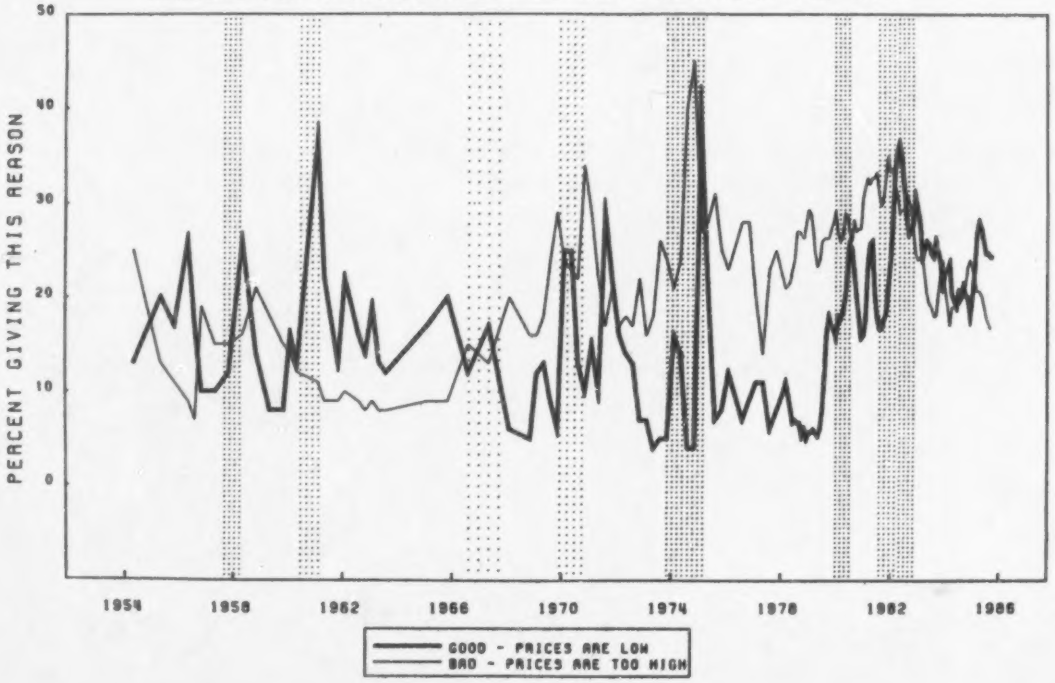


TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	24%	18%	18%	18%	24%	26%	30%	28%	24%	26%	24%	24%	25%
Prices won't come down; are going higher	20	17	15	14	13	14	17	14	14	13	12	14	9
Interest rates low; credit is easy	15	14	18	15	23	24	23	25	28	35	35	36	46
New fuel efficient models	1	2	*	2	*	1	1	1	1	1	1	1	1
BAD TIME TO BUY:													
Prices are high	22	23	25	24	21	21	20	21	20	17	17	18	15
Interest rates are high; credit is tight	9	8	10	12	8	8	5	5	8	4	5	5	5
Lack of purchasing power	6	6	8	7	7	6	6	4	6	6	6	4	4
Price of gas; shortages	*	*	*	*	*	*	*	*	*	*	*	*	*
Poor selection; quality	3	3	5	4	4	4	3	4	3	4	3	4	3

Responses to the query: "Why do you say so?" following the question on Table 30.

+ May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

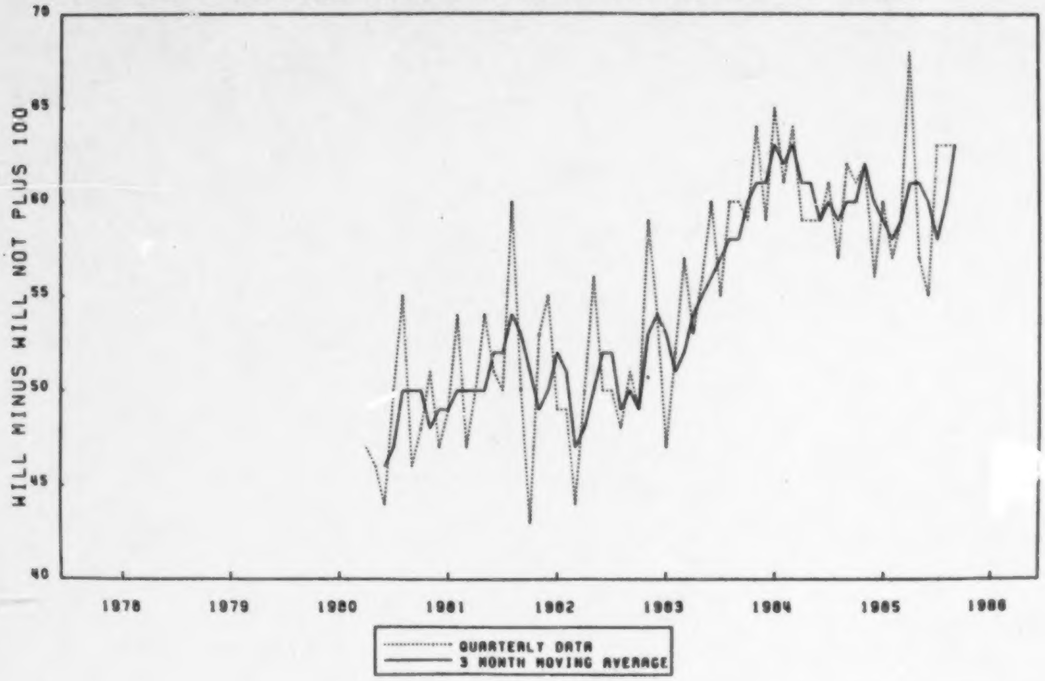


CHART 32 - HISTORICAL SERIES
PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

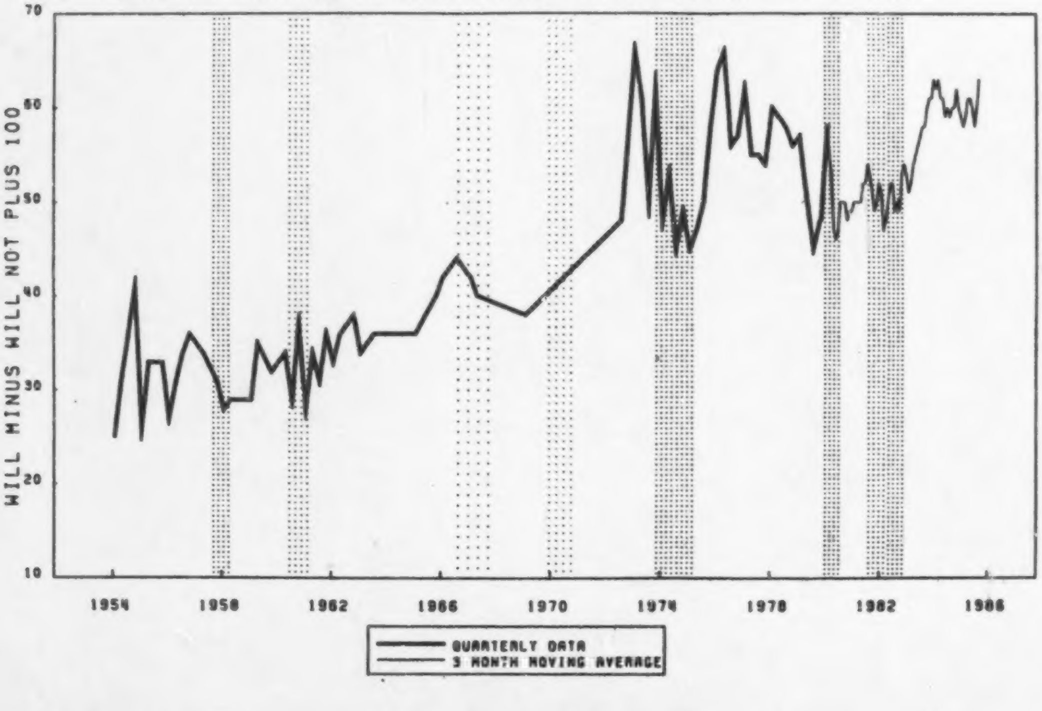


TABLE 32

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
PROBABLY WILL BUY	22%	21%	21%	19%	20%	19%	20%	24%	18%	19%	22%	21%	22%
CHANCES ARE EVEN	8	8	9	9	9	9	8	7	9	7	7	7	8
PROBABLY WILL NOT BUY	60	60	59	63	60	62	61	56	61	64	59	58	59
DK,NA	10	11	11	9	11	10	11	13	12	10	12	14	11
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	690	706	710	704	640	655	653	675	661	652	641	650	654

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
PROPORTION WITH CURRENT PURCHASE INTENTIONS:	30%	29%	30%	28%	29%	28%	28%	31%	27%	26%	29%	28%	30%
PURCHASE TYPE:													
Buy new	14	15	15	13	17	15	14	17	14	14	14	14	15
Buy used	13	12	13	13	11	11	13	12	12	10	14	13	13
Lease	2	2	1	1	1	1	1	1	1	2	1	*	1
DK,NA	1	*	1	1	*	1	*	1	*	*	*	1	1
PURCHASE TIMING:													
Next 3 months	1	6	5	3	5	4	2	8	5	1	9	3	3
Next 4-6 months	8	6	7	6	8	9	8	9	7	8	5	6	6
Next 7-9 months	5	7	7	10	7	8	11	6	7	6	5	5	6
10 months or more	10	4	8	7	5	4	5	3	5	6	6	8	9
DK,NA	6	6	3	2	4	3	2	5	3	5	4	6	6

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985	May 1985	June 1985	July 1985	Aug. 1985	Sept 1985
PROPORTION WITH FUTURE PURCHASE INTENTIONS:	60%	60%	59%	63%	60%	62%	61%	56%	61%	64%	59%	58%	59%
PURCHASE TYPE:													
Would buy new	34	31	33	34	35	32	35	34	36	37	35	31	35
Would buy used	25	27	25	28	25	28	25	21	25	26	24	26	23
DK,NA	1	2	1	1	*	2	1	1	*	1	*	1	1
PURCHASE TIMING:													
Less than 2 years	5	7	7	7	8	9	6	5	7	8	5	4	5
2 years	21	21	20	23	18	19	21	21	21	24	20	21	19
3 years	11	10	9	10	9	10	10	11	13	10	10	10	11
4 years or more	17	16	17	15	19	17	19	14	16	16	22	19	19
Indefinite	2	1	2	3	2	2	2	1	1	2	1	2	1
DK,NA	4	5	4	5	4	5	3	4	3	4	1	2	4

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

CHART 1 - RECENT CHANGES

THE INDEX OF CONSUMER SENTIMENT

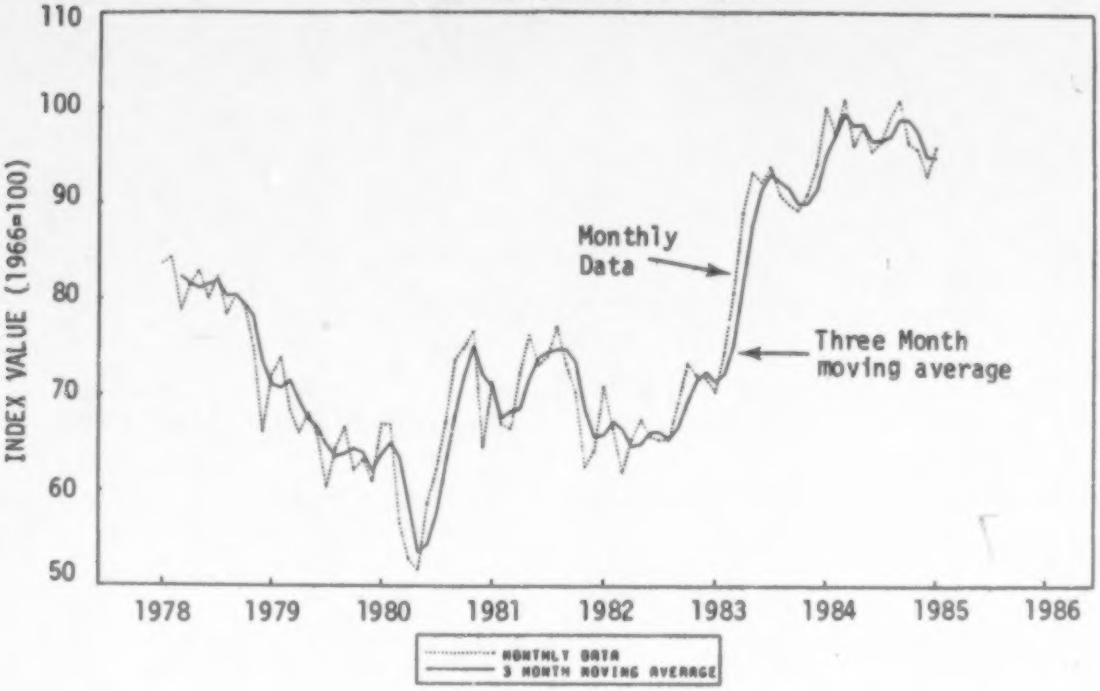
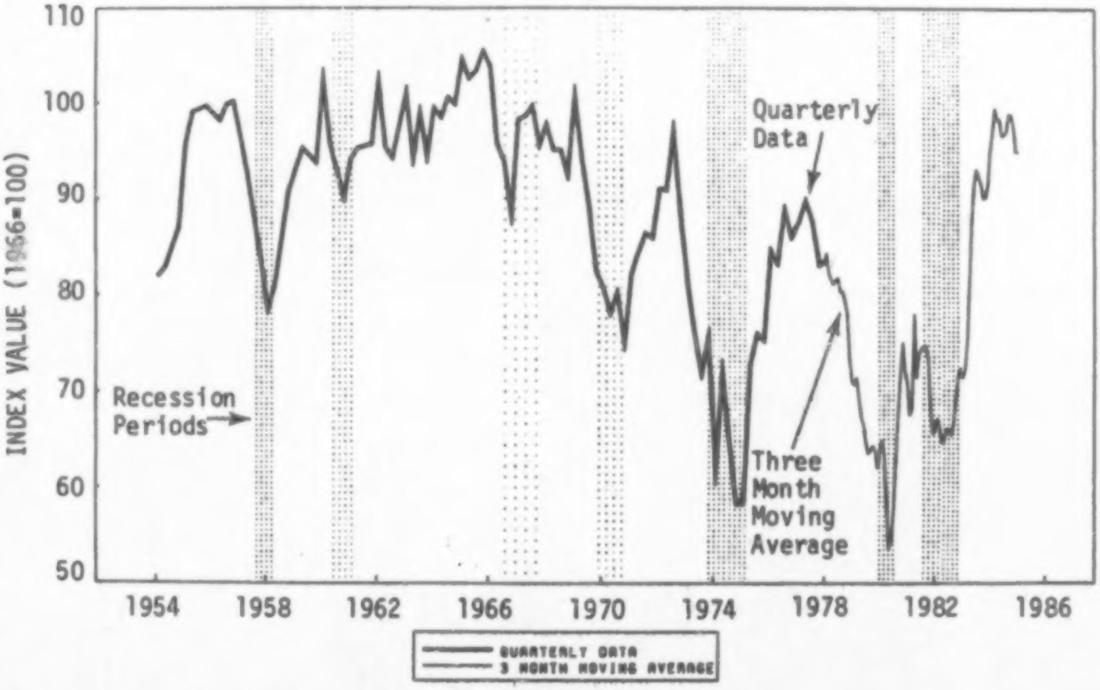


CHART 1 - HISTORICAL SERIES

THE INDEX OF CONSUMER SENTIMENT



DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES: November 1948 - October 1949
July 1953 - May 1954
August 1957 - April 1958
April 1960 - February 1961
June 1966 - November 1967*
December 1969 - November 1970
November 1973 - March 1975
January 1980 - July 1980
July 1981 - November 1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

Reported Percentages	Number of Interviews		
	700[b]	1,400[c]	2,100[d]
50	4.2	3.2	2.8
30 or 70	3.8	2.9	2.5
20 or 80	3.4	2.6	2.2
10 or 90	2.5	1.9	1.6
5 or 95	1.8	1.4	1.2

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[a] The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b] Average size of monthly surveys.

[c] Average size of two monthly surveys.

[d] Average size of three monthly surveys (one quarter).

10/8/85

October 4, 1985

SEPTEMBER 1985 MONTHLY REPORT

Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

THE SEVEN PERCENT SOLUTION: AUTO MARKET REACHES NEW HIGH

- **In the September 1985 survey, the Index of Consumer Sentiment was 92.1, just below the 92.4 recorded one month earlier, but well below the 100.9 recorded in September 1984. Despite the decline during the past year, consumer sentiment nonetheless has remained more favorable for a longer period of time than since the 1960s.**

- **Among families with income of $25,000 or more, the Index of Consumer Sentiment fell to 99.5 in September, from 104.1 one month earlier, and 107.7 one year earlier.**

- **Car buying attitudes reached a new peak favorable level in the September survey due to the availability of reduced interest rates. Among all families, 72 percent rated car buying conditions favorably. Reduced interest rates offered by vehicle manufactures were mentioned by 45 percent of all families in September, the highest level ever recorded. Overall, auto buying attitudes have remained more favorable for a longer period of time than since the 1960s.**

- **Home buying attitudes remained near record levels in the September survey, also due to favorable perceptions of interest rates as well as prices. Among all families, 72 percent thought buying conditions for homes were favorable in the September survey, just below the all time record of 73 percent set two months earlier. In support of these favorable attitudes, 51 percent mentioned the availability of reduced mortgage rates, up from 22 percent one year earlier.**

- **Many fewer consumers expected the economy to improve during the year ahead in the September survey (23 percent) than one year earlier (33 percent), or at the 1983 cyclical peak (55 percent). Although the 23 percent recorded in September is the lowest level since early 1980, there has only been a small increase in the proportion of families that expected the national economy to actually worsen—17 percent in September 1985, up from 15 percent one year earlier. The shift in consumer opinion has been toward the view that the economy would continue on its current slow pace of expansion—reported by 58 percent in September, up from 48 percent one year earlier, and the highest level since the 1960s.**

• • •

The response of consumers to the recent interest rate reductions has demonstrated not only their willingness to spend, but also their resolve to wait for discounts on prices and interest rates. The maintenance of high sales levels depends on the continuation of these discounts.

Although consumers now believe that the upward momentum in the economy has been drained, few expect actual declines to follow. Good economic news has now lost its ability to stimulate further improvement in sentiment due to habituation—for example, the recent news about the low level of inflation attracted little attention. As a result of habituation to favorable news, consumers have become more sensitive to unfavorable developments. But isolated bits of news lack the ability to sustain widespread and cumulative changes in mass attitudes. Cumulative declines in sentiment require a focal point to integrate diverse economic developments. None has yet emerged—neither of the twin deficits has served this function for consumers. And some of the traditionally important components of a gathering storm are missing, namely, rising concern with inflation and falling confidence in the government's ability to maintain the current expansion.

Monitoring Economic Change Program
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Buying Attitudes

Auto buying attitudes reached a new all-time peak favorable level in the September survey. This marks the second resurgence in favorable buying attitudes since they first reached record levels in early 1983. In the September 1985 survey, 72 percent of all families favorably rated buying conditions for vehicles, up from 59 percent last September, and above the previous record of 66 percent posted in early 1983 and again in early 1984. Overall, vehicle buying attitudes have remained more favorable for a longer period of time than since the 1960s.

The single most important reason given by consumers for these very favorable attitudes was the reduced interest rates offered by vehicle manufacturers. Among all families in the September survey, a record 45 percent mentioned the availability of reduced interest rates on car loans, up from just 11 percent one year earlier (see Table A). Favorable perceptions of new vehicle prices also supported these positive buying attitudes. In the September survey, favorable price references outnumbered unfavorable reports by a margin of 25 to 15 percent, a significant improvement over the 24 to 22 percent margin recorded one year earlier.

Favorable perceptions of interest rates and prices have also supported very favorable home buying attitudes. Home buying conditions were viewed favorably by 72 percent of all families in the September survey, up from 69 percent one month earlier, and just below the all-time peak of 73 percent recorded two months earlier. This represents a substantial improvement over one year earlier, when 48 percent of all families favorably rated home buying conditions, and surpasses the prior record of 66 percent recorded in early 1983 and early 1984. In the September 1985 survey, 51 percent of all families referred to the availability of lower mortgage rates, more than twice the 22 percent recorded one year earlier (see Table A). In addition, references to the availability of good buys on homes was twice as frequent as complaints about high prices (24 versus 12 percent), a substantial improvement over the unfavorable balance of opinion recorded one year earlier (14 versus 16 percent).

Buying conditions for large household durables were viewed favorably by 73 percent of all families in the September 1985 survey, up from 69 percent one month earlier, and 72 percent one year earlier. The major reason given for these very positive buying attitudes was references to the availability of price discounts. Among all families in the September 1985 survey, 39 percent mentioned the availability of discounted prices, compared with just 14 percent that registered complaints about high prices for household durables.

Personal Finances

In the September 1985 survey, 43 percent of all families reported that their financial situation had improved during the last year, up from 41 percent one month earlier, but slightly below the 45 percent recorded one year earlier. Slower income growth has been responsible for the small decline in evaluations. In the September 1985 survey, fewer families reported that their income had increased during the past year, 35 percent, down from 39 percent one year earlier. Despite the small declines during the past year, consumers' evaluations of their financial progress remained more favorable in the September 1985 survey than at their peak in the late 1970s.

Consumers continue to hold a positive outlook for their personal financial situation. Among all families, 35 percent expected their financial situation to improve in the September survey, just below the 36 percent recorded one month earlier, and the 39 percent recorded one year earlier. This small decline has been due to the expected continuation of slower growth in incomes. In the 1985 survey, 56 percent of all families expected income increases, down from 64 percent in September 1984. Despite the expected slowdown in income growth, just 11 percent of all families expected their financial situation to actually worsen during the year ahead in the September 1985 survey.

Business Conditions

Among all families in the September 1985 survey, 52 percent thought that the national economy had improved during the past year, down from 68 percent one year earlier. Reports that the national economy had worsened during the past year rose to 31 percent in September 1985, from 18 percent one year earlier.

The recent slowdown in economic growth was also expected to persist during the year ahead. Among all families in the September 1985 survey, 23 percent expected business conditions to improve during the year ahead, down from 33 percent one year earlier. Importantly, there was only a marginal increase in the proportion of families that expected the national economy to worsen during the year ahead (17 percent, up from 15 percent). Instead, the proportion of families that expected the current pace of slow growth to persist during the year ahead rose to 58 percent in September 1985, from 48 percent one year earlier.

Despite the expected persistence of slow economic growth, the majority of families in the September 1985 survey expected good times financially during the upcoming year. Fifty-two percent reported that they expected good times financially in the economy as a whole in the September 1985 survey, down from 66 percent one year earlier.

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The September 1985 survey included 654 interviews conducted between September 3 and September 27, 1985.

TABLE A

REFERENCES TO INTEREST RATES IN SUPPORT OF FAVORABLE BUYING CONDITIONS

Survey Date		Durables		Houses[a]		Vehicles	
		Low[b] Rates	BiA[b] Rates	Low[b] Rates	BiA[b] Rates	Low[b] Rates	BiA[b] Rates
January	1980	1%	2%	na	na	1%	1%
February	1980	1	2	2	7	1	2
March	1980	1	4	na	na	1	2
April	1980	*	3	*	3	3	1
May	1980	*	2	3	3	*	1
June	1980	2	1	14	2	2	1
July	1980	4	1	17	6	2	1
August	1980	3	2	19	9	3	1
September	1980	1	2	11	11	2	2
October	1980	1	3	6	10	1	2
November	1980	*	2	2	8	1	2
December	1980	1	2	1	5	2	2
January	1981	*	2	1	3	4	1
February	1981	1	2	2	5	2	1
March	1981	1	*	1	4	1	1
April	1981	*	2	3	6	2	1
May	1981	1	2	4	3	3	1
June	1981	*	1	1	4	2	1
July	1981	1	1	2	4	2	1
August	1981	2	1	3	5	4	1
September	1981	*	1	3	3	4	2
October	1981	*	1	1	3	4	*
November	1981	1	1	2	2	5	*
December	1981	1	1	4	2	4	1
January	1982	2	1	5	3	4	2
February	1982	1	1	4	3	3	*
March	1982	*	1	3	2	3	*
April	1982	1	*	4	2	7	*
May	1982	2	1	3	3	10	1
June	1982	1	1	5	2	6	1
July	1982	1	1	2	2	4	1
August	1982	1	1	3	4	5	1
September	1982	3	1	16	4	9	1
October	1982	4	1	19	4	10	1
November	1982	5	*	25	5	19	1
December	1982	6	2	30	5	26	1

REFERENCES TO INTEREST RATES IN SUPPORT OF FAVORABLE BUYING CONDITIONS(Cont'd)

Survey Date		Durables		Houses[a]		Vehicles	
		Low Rates	BiA Rates	Low Rates	BiA Rates	Low Rates	BiA Rates
January	1983	7%	*	33%	4%	27%	2%
February	1983	7	1	35	5	34	1
March	1983	7	1	38	6	33	1
April	1983	12	2	46	8	38	2
May	1983	12	1	49	6	38	2
June	1983	13	3	49	12	38	2
July	1983	14	2	40	9	34	3
August	1983	11	1	33	11	30	3
September	1983	9	3	35	12	25	3
October	1983	6	1	29	9	17	2
November	1983	6	2	29	11	20	2
December	1983	6	1	30	11	16	3
January	1984	8	1	33	8	20	3
February	1984	9	2	38	12	19	3
March	1984	8	2	36	13	19	3
April	1984	8	6	29	23	15	7
May	1984	7	4	24	20	14	4
June	1984	7	4	21	17	12	6
July	1984	5	5	21	16	16	8
August	1984	6	2	22	13	12	5
September	1984	6	2	22	12	11	4
October	1984	7	4	24	11	10	4
November	1984	8	3	33	11	15	3
December	1984	8	2	32	6	12	3
January	1985	10	1	42	7	21	2
February	1985	9	2	42	8	23	1
March	1985	8	2	38	10	21	2
April	1985	10	3	34	13	22	3
May	1985	9	2	35	8	25	3
June	1985	11	2	50	6	32	3
July	1985	13	1	51	6	33	2
August	1985	15	*	54	4	35	1
September	1985	14	1	51	5	45	1

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*Less than 0.5 percent.

[a] Also includes homes, home repairs and real estate.

[b] The proportions given above provide greater detail than is reported in the monthly tables (see Tables 27, 29 and 31). The figures above divide the total proportion of respondents that made favorable references to credit conditions into those respondents that referred to the current availability of *low interest rates*, and those that referred to *borrowing-in-advance* (BIA) of rising interest rates.